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West Europe Report

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9 April 1985

WEST EUROPE REPORT

CONTENTS

ARMS CONTROL

FINLAND

- Country's Arms Control Experts Concentrate on Total Ban Pact
(HELSINGIN SANOMAT, 5 Feb 85)..... 1

POLITICAL

DENMARK

- Choice of SDP Deputy Chairman Reflects Necessary Change
(Editorial; AKTUEL, 19 Feb 85)..... 3
- Schluter To Face Key Political, Economic Tests in 1985
(Hakan Hagwall; SVENSKA DAGBLADET, 25 Feb 85)..... 6

FINLAND

- Leading Newspaper Comments on Koivisto's Address to Parliament
(Editorial; HELSINGIN SANOMAT, 8 Feb 85)..... 9
- Polish Trial of Police Seen Sign of Improving Situation
(Editorial; HELSINGIN SANOMAT, 10 Feb 85)..... 11

FRANCE

- Italian Journalist Reports on New Caledonia Situation
(Roberto Fabiani; L'ESPRESSO, 24 Feb 85)..... 12
- Management Change at Renault May Be Bad News for CGT
(Phillipe Eliakim; LES ECHOS, 21 Jan 85)..... 17

GREECE

Israel's Peres on Greek-Israeli Relations (Shimon Peres Interview; I KATHIMERINI, 10-11 Mar 85).....	19
Dangers Inherent in Proposed Constitutional Revision (Kon. M. Kallias; I KATHIMERINI, 12 Mar 85).....	21
Soviet Delegation Attends Anniversary Celebration (AKROPOLIS, 8 Mar 85).....	23
ND Protests Government Grant to Zimbabwe (AKROPOLIS, 8 Mar 85).....	24
Reported True Facts Behind Dumping of Karamanlis (Editorial; I KATHIMERINI, 16 Mar 85).....	26
NOVOSTI Correspondent Reports on Greece-USSR Agreement (Boris Korolev; TA NEA, 11 Mar 85).....	28
Correspondent Extols Agreement, by Boris Korolev Soviet Reporter's Statement Derided Editors' Union Disapproval	
PASOK's Sartzetakis Choice Seen Probable Mistake (I KATHIMERINI, 21 Mar 85).....	32
Sartzetakis' Personality, Background Discussed (ELEVTHEROTYPIA, 11 Mar 85; ETHNOS, 12 Mar 85).....	34
Biographic Data Father, Sister Interviewed, Giannis Liapis Brother Interviewed, by Gogo Tetou	
Briefs Rallis Returns to Political Scene	39

ICELAND

Problems, Poll Losses of People's Alliance Viewed (MORGUNBLADID, various dates).....	40
Search for Leftist Allies Paper Examines Internal Rifts, Editorial Party Organ Editor Analyzes Women's List Rejects Overtures	
SDP's New Chairman Hannibalsson Instrumental in Party's Rise (Marjatta Isberg; HELSINGIN SANOMAT, 11 Feb 85).....	46

ITALY

PSI, PSDI Election Campaigns (Mino Fucillo; LA REPUBBLICA, 7 Mar 85).....	49
--	----

NORWAY

Parties in Nonsocialist Coalition Grab Narrow Lead in Poll (Egil Sundar; AFTENPOSTEN, 9 Mar 85).....	52
Labor Party Youth Congress: NATO Must Change Nuclear Strategy (AFTENPOSTEN, 23, 25 Feb 85).....	55
Departing Chairman Gives Views, by Thorleif Andreassen Incoming Chairman Against NATO-Membership Resolution Supports 'Zone' Conservative Chairman Condemns Resolution	

PORTUGAL

Presidential Elections: Talks of Various Candidates (TEMPO, 1 Mar 85; SEMANARIO, 23 Feb 85).....	59
PSD Official for Firmino Miguel, Jose Vitorino Interview New Names: Reserve Generals	
PRD: New Party on Political Scene (Various sources, various dates).....	66
Formalities of Establishment National Role Envisioned Party Name Discussed Pessimistic Forecast	
Recent PSD Crisis Gives Rise to Commentaries, Speculation (Various sources, various dates).....	75
Unity, Presidential Candidacy Issues, by Jose Miguel Judice Party, Personalities Praised, by Dinah Alhandra Jardim Prospects Seen Improving, by Oscar Mascarenhas 'Nova Esperanca' Rises Mota Pinto: No Win Situation, by Jose Antonio Saraiva	
Enlightened Right Seen Only Hope for Salvation (Luisa Manoel de Vilhena; DIARIO DE NOTICIAS, 7 Mar 85).....	85
Lack of Strong Commitment to Democracy Assailed (J. M. Paqueta de Oliveria; EXPRESSO, 25 Feb 85).....	89
Capucho: No Balsemao Endorsement (Antonio Capucho; POVO LIVRE, 27 Feb 85).....	92

Briefs		
	NATO Technological Assistance	93
SPAIN		
	Text of Accord on Regional Policies Between PNV, PSE-PSOE (EL SOCIALISTA, 1 Feb 85).....	94
	PNV Reiterates Commitment to Independence, Nonviolence (EGIN, 7 Feb 85).....	99
SWEDEN		
	Carl Bildt Urges Tougher Stands in Defense, Foreign Policy (Carl Bildt; DAGENS NYHETER; 11 Mar 85).....	102
	Bai Bang Project Chief, Aid Head Favor Program Phase Out (Peter Bratt; DAGENS NYHETER, 28 Feb 85).....	106
	SDP Election Win Seen Resulting in New Defense, Foreign Ministers (Ake Ekdahl; DAGENS NYHETER, 27 Feb 85).....	109
	Experts From Several Fields in Book on Security Policy (Mats Ekeblom; SVENSKA DAGBLADET, 8 Mar 85).....	111
	Paper Resumes Criticism of Vietnam Aid Project (Editorial; SVENSKA DAGBLADET, 1 Mar 85).....	113
TURKEY		
	Resignations Rock Sunalp's National Democracy Party (CUMHURIYET, 27 Feb 85).....	115
	PP's Canver on Selective Amnesty for Former Politicians (CUMHURIYET, 27 Feb 85).....	117
MILITARY		
EUROPEAN AFFAIRS		
	Baltic Sea-Approaches Commander Reviews Area Naval Situation (Helmut Kampe; MARINE-RUNDSCHAU, Feb 85).....	119
DENMARK		
	SDP Defense Spokesman: Leasing Poor Solution to Arms Budget (AKTUELT, 19 Feb 85).....	127

FEDERAL REPUBLIC OF GERMANY

Details of CDU/CSU's Part-Time Reservist Proposal (Inge Dose-Krohn; LOYAL, Feb 85).....	128
Revised Reserve Structure Gains Parliamentary Support (SUEDEUTSCHE ZEITUNG, 25, 26 Jan 85).....	131
Stress on Ready Reserve, by Kurt Kister CDU/CSO Supports Reservist Concept	
U.S., FRG Computer Assisted Command Systems Interoperable (SOLDAT UND TECHNIK, Jan 85).....	133
Antitank Barrier Doctrine Evolves for Engineer Troops (Juergen Erbe; WEHRTECHNIK, Feb 85).....	135

FINLAND

Evolution of Finnish Defense Doctrine Since World War II (Pekka Visuri; OESTERREICHISCHE MILITAERISCHE ZEITSCHRIFT, Jan/Feb 85).....	141
Peace, Conflict Institute Issues Cruise Missile Effect Study (Raimo Vayrynen; HELSINGIN SANOMAT, 7 Feb 85).....	159
Supreme Commander Wants Study on New Technology Impact (HUFVUDSTADSBLADET, 5 Mar 85).....	162
Briefs Telecommunications Equipment to Army	163

GREECE

Armed Forces Joint Maneuvers Announced (TA NEA, 18 Feb 85).....	164
Greek, Turkish Naval Capabilities Listed (I VRADYNI TIS KYRIAKIS, 17 Feb 85).....	165
Aircraft Purchase Termed Two-Pronged Vicious Circle (RIZOSPASTIS, 7 Mar 85).....	168
Briefs Ten-Year Plan for Navy Modernization Announced	172
Security Chief's Resignation	172

PORTUGAL

Deputy Attacks Purchase of A-7 Aircraft (DIARIO DE NOTICIAS, 25 Jan 85).....	173
---	-----

Sergeants' Committee Pursues Legal Action
(DIARIO DE NOTICIAS, 23 Jan 85; SEMANARIO, 26 Jan 85)..... 175

Draft Law Defended
Move Seen Communist-Inspired

SPAIN

Spanish Legion To Be Reduced, Equipment Upgraded
(CAMBIO-16, 11 Feb 85)..... 177

SWEDEN

Plan for Command Training Reforms Announced
(Magnus Persson; DAGENS NYHETER, 9 Mar 85)..... 179

Commander of Country's Largest Postwar Exercise on Results
(Ingemar Lofgren; DAGENS NYHETER, 28 Feb 85)..... 181

State Arms Manufacturing Conglomerate Chief Wants Changes
(Olle Rossander; DAGENS NYHETER, 4 Mar 85)..... 183

Thunborg: Superpowers' Interest Reduces Surprise Attack Risk
(DAGENS NYHETER, 27 Feb 85)..... 190

Briefs
Air-to-Air Missiles for JAS 191

ECONOMIC

TURKEY

Location, Production of Arms Industry
(PONDIKI, 22 Feb 85)..... 192

DENMARK/GREENLAND

Government Leader Points Out Importance of Seal Hunting
(Bjarne Kjaer; AKTUELT, 6 Mar 85)..... 196

FINLAND

Briefs
Increased Trade With Iran Possible 198

GREECE

Balance of Payment Deficit Due to High Fuel Imports
(TO VIMA, 6 Mar 85)..... 199

Decision on Alumina Plant Location (ETHNOS, 8 Mar 85).....	201
Northern Greece Gold Deposits (TA NEA, 9 Mar 85).....	203

ICELAND

Increasing Fish Catch Fails To Provide Bright Aspect in Economy (MORGUNBLADID, various dates).....	204
Big Tonnage Increase But Income Increase Lags Encouraging Fish Exports	
Government Acting To Sell Off State-Owned Enterprises (Marjatta Isberg; HELSINGIN SANOMAT, 9 Feb 85).....	209

SPAIN

Laws Regulating Small Foreign Investments To Be Liberalized (Jose A. Roca; ACTUALIDAD ECONOMICA, 7 Feb 85).....	210
Public Expenditures To Replace Austerity Measures (Javier Gilsanz; CAMBIO 16, 18 Feb 85).....	213

SWEDEN

Exports Experience Sudden Surge as Terms of Trade Improve (Jan Magnus Fahlstrom; DAGENS NYHETER, 6 Mar 85).....	216
Saab-Scania To Sell Iranians Truck-Assembly Plant (SVENSKA DAGBLADET, 23 Feb 85).....	219

ENERGY

DENMARK

Energy Ministry Sees Continued Need for Oil Heating (BERLINGSKE TIDENDE, 15 Mar 85).....	221
Industry Council Issues Plan for Danification of Drilling (Svend Bie; BERLINGSKE TIDENDE, 9 Mar 85).....	223
District Heating Project to Lower Oil Import Needs (Jorgen Holst; AKTUELT, 2 Mar 85).....	225

FINLAND

Neste Signs Pact With Sojugasexport for Increased Gas Deliveries (Matts Dumell; HUFVUDSTADSBLEDET, 8 Mar 85).....	226
Oil Consumption in Country Drops by 3 Percent in Year (HELSINGIN SANOMAT, 4 Feb 85).....	229
Imports of Soviet Oil Below Agreed Amount (HELSINGIN SANOMAT, 7 Feb 85).....	231

GREECE

Deceptions Suspected in Prinos Oil (ETHNOS, 7 Mar 85).....	233
---	-----

NORWAY

Energy Strategy Shifting Emphasis From Exploration to Sales (Bjorn Lindahl; DAGENS NYHETER, 27 Feb 85).....	234
Drilling Activity, Economic Impact of Oil Search in North (Bjorn Lindahl; DAGENS NYHETER, 7 Mar 85).....	238
Briefs Ekofisk Sea-Bottom Sinking.....	241

OCEAN/POLAR ISSUES

EUROPEAN AFFAIRS

Denmark Reignites Feud Over Rockall With UK, Ireland, Iceland (Camille Olsen; JOURNAL DE GENEVA, 11 Feb 85).....	242
---	-----

NORWAY

Expedition Returns From Antarctica (Torill Nordeng; AFTENPOSTEN, 12 Mar 85).....	244
---	-----

9 April 1985

FINLAND

ARMS CONTROL

COUNTRY'S ARMS CONTROL EXPERTS CONCENTRATE ON TOTAL BAN PACT

Helsinki HELSINGIN SANOMAT in Finnish 5 Feb 85 p 22

[Article: "Finland Studies 'Permitted Production'"]

[Text] Sweden is representing the Nordic countries at the Geneva Disarmament Conference. Finland's role is limited to offering expert assistance, which is indeed viewed as being a very important one.

Finnish experts have been making studies of the special problems in connection with the supervision of the terms of a prohibition pact for 10 years now. The Finns' latest study has to do with the "permitted production" of chemical weapons after a prohibition pact is concluded.

The coordinator of the Finnish Foreign Ministry plan for the supervision of chemical weapons, Helsinki University Chemistry Department lecturer Marjatta Rautio, has presented to the committee of conference experts a so-called working paper composed by the Finns after mid-January in which for the first time a model is proposed showing how banned chemicals could be manufactured and supervised after a prohibition pact is concluded.

Permitted production of banned chemicals is needed because one of the premises of the future pact is considered to be the principle that nations must have the means to study poisonous substances and ways to guard against them after a ban goes into effect as well. For this reason all countries must be able to manufacture limited quantities of banned poisons and the Finns have now proposed the first model for solving problems relating to just such production.

According to the Finnish working paper, after the ban each nation would be permitted to manufacture at the most 1,000 kg of poisons a year.

There are also proposals for the control of permitted production of poisons in the working paper. In the opinion of the Finns, control should if possible be given to an organ composed of representatives of all the conference countries, an organ that would have unrestricted access to "permitted production" plants for inspections.

As far as Finland is concerned, a prohibition pact would not change the situation with regard to production at all since at present banned chemicals are brought into Finland only in laboratory quantities for research, that is, in lots of less than 100 grams.

The use of poison gases was banned for the first time by international agreement in 1874. The Geneva agreement currently in force, dating back to 1925, prohibits the use of harmful gases and weapons comparable to them in war in any form. Their manufacture and storage have, however, been permitted up to now.

11,466
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POLITICAL

DENMARK

CHOICE OF SDP DEPUTY CHAIRMAN REFLECTS NECESSARY CHANGE

Copenhagen AKTUELT in Danish 19 Feb 85 p 7

[Editorial: "Generational Change"]

[Text] Heinesen's appointment as airport chief administrator seems to be a milestone in the Social Democrat's long drawn out change of generations.

At a meeting of party leaders in a month or two, Svend Auken will in all probability be named the new party deputy chairman. Such a decision will unavoidably be construed as the appointment of the Social Democrats' next party chief and thus constitutes a partial accomplishment of the generational change that more and more party members are speaking of as an absolutely necessary prerequisite for bringing the party back to power.

But there are still a number of party members who are in doubt as to Auken's suitability for the leadership of the big labor party. His initiative for a compromise over defense policy with the government has given him new supporters, but it has also confirmed others in their conception of him as a pure opportunist.

Auken is not of working class descent; he is an academic and has as minister developed a reputation for economic irresponsibility. Not because his ministry closed his eyes to a not quite legal arrangement whereby private monetary institutions were given barely disguised contributions for administering unemployment benefits from hard pressed unemployment coffers. But because throughout his work as Minister of Labors, Auken opposed the tight line for public expenditures that some fellow party members tried to carry through—before the deficit became so large that it deprived the Social Democratic government of the public confidence that could have kept it in power.

Auken's opponents have the problem that they cannot deliver an alternative candidate today for the post of vice party chief.

They are concentrating their efforts on putting off the selection until fall—or on finding a candidate from the labor movement.

The labor movement's unconcealed inner split makes this latter avenue of escape rather impassable. The former is more likely.

Anker Jorgensen, whose decision in this manner may in the end be the determining factor, will perhaps find it difficult to make up his mind. And it can also be reasonably argued that the decision, which must be considered as epoch-making as it is here presented, be made by the party's highest authority, namely, a special congress in connection with the annual meeting in September.

Presumably, Heinesen prefers a speedy decision and will among other things therefore work for Auken's appointment.

A postponement until September certainly need not mean that there will be better possibilities for Auken's opponents. The feeling in the party is clearly to Auken's advantage, and in the inner circles the unemployment payments issue is no burden--more likely quite to the contrary.

Even if with his decision to bet on the airport (and come down from his high flying ambitions as one party member with a sense of humor put it) Heinesen thus apparently paved the way for Auken, it was still hardly the reason for Heinesen's decision. Had it been his purpose to bring Auken to power, he could more opportunely have stepped aside last fall at the ordinary congress and handed over the position to Auken then. No, Heinesen simply seems to have become more and more tired of a political career that has never really panned out since he voluntarily resigned as Minister of Finance in 1979.

At that time Heinesen's reputation was spotless. He was praised as an exceptionally competent Minister of Finance and an obvious deputy party chief. In 1981 he warned against forming a Social Democratic government after the electoral defeat, but when Anker Jorgensen allowed himself to be brought around by other appropriate and eager ministers, Heinesen climbed aboard--as Minister of Finance again. He thereby became a part of what must be considered the Social Democrats' bankrupt estate. And when in the fall of 1982 he allowed himself against his will to be voted party spokesman, he found himself powerless to get past a public mood and a government that had given up listening to the Social Democrats.

After having assumed the main responsibility for the party apparatus, he experienced a painful defeat in the Common Market election. And lately he has unveiled big problems in the party's finances, which made people question whether he is really as competent an administrator as his reputation would have him.

It is not so surprising that he wants something new.

Behind Heinesen's rise and fall there is apparently a political personality that lacks to a decisive degree what a fellow party member has aptly called "political primordial force." That is, that combination of a belief in the cause and a strong will for power that makes political leaders. With his cool intelligence, Heinesen has been reduced to the role of chief advisor to a party leader who has his own way of managing advice.

The party leader's management has not been very successful. Heinesen had neither the will nor the strength to take over. Now, by leaving, he paves the way for a change.

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POLITICAL

DENMARK

SCHLUTER TO FACE KEY POLITICAL, ECONOMIC TESTS IN 1985

Stockholm SVENSKA DAGBLADET in Swedish 25 Feb 85 p 2

[Commentary by Hakan Hagwall]

[Text] A parenthesis, a temporary arrangement. That is how many people described the nonsocialist coalition government that took over in Denmark when Anker Jorgensen and his party got tired of the government position. However the parenthesis has been quite a longlasting one.

The Schluter government has been in office for 2 1/2 years. There are many indications that it will stay there for some time to come. The government parties as a whole have as strong a position in the opinion polls as they had in last year's Folketing election. Against that background it is quite conceivable that the government will win renewed confidence in the next election.

The government can also point to considerable political success. What has happened since the nonsocialists took over a bankrupt situation has been called a minor economic miracle even outside Denmark.

When he took office Prime Minister Schluter explained that now "we have to earn a little more and consume a little less." That is what has happened, according to government supporters, who point out that business investments have increased, as has production and employment--although there is still a serious unemployment problem, especially among young people. The stringent cuts in public spending reduced the national budget deficit; the public sector is no longer growing. Inflation has been brought down to a level that is advantageous in comparison with that in competitive countries. The Danish krone is very strong.

Critics of the government also say that Schluter's predictions came true, in the sense that the prosperous are earning more while the others are consuming less.

The austerity policy has not yet shaken the government politically. On the contrary. Last year's extra election, which was the result of the fact that the government did not have enough support in Folketing for this policy, led to a strengthening of the government's position.

Although the four-party government has some reason to be pleased, the situation is far from being free of problems. The government is heading for some hard tests.

A conflict is brewing on the labor market. LO [Danish Federation of Trade Unions] has issued extensive strike warnings that would paralyze Denmark. The government will be forced to step in one way or another. This cannot be done without creating a great deal of tension between the government and the LO leadership. It is less certain how strong the reaction on the part of wage earners will be.

The belligerent mood seems fairly limited. The semiskilled workers' union is making the highest demands and is the most ready to fight. There was also a clearly political element that is hostile to the government in the arrangements of the contract negotiations from the very beginning. It is different with the metalworkers' union, which has had a much lower profile in all these respects.

The labor controversy could also turn into a hard partisan struggle between the government and the opposition, especially if legislation is resorted to in an effort to solve the conflict.

The next problem the government will have to face is the question of the national budget, the so-called budget bill. At a meeting a few days ago the government stated that further cuts totaling several billion kroner must be made. However this time defense and the cultural sector will be sheltered. Within a few weeks the ministers will have to meet this challenge which is certainly becoming greater each time--since the most dispensable items are cut first.

After that parliamentary support for the budget must be found. So far this support has been offered by the Radical Liberals. However as always this is a party full of restless spirits. It is a leftist-social liberal and radical-pacifist party. It has cooperated with the Social Democrats on many occasions. But for several years the Radicals have supported an economic overhaul led by the nonsocialist parties.

The Social Democrats have now intensified an effort to make contact with the Radicals with a view to removing their support for the government. But so far their blandishments have been rejected.

There is some opposition to supporting the government among the Radicals themselves. Thus the party leadership must show that this support is not unconditional. So it will cost the government something to get the Radicals' help in approving the budget bill. The price will be a weakening of the budget.

The Radicals are also demanding that a tax reform be nailed down before there is any question of negotiating on the budget, which may be even more difficult. The problem is that by tax reform the Radicals mean something that will be very hard for the government parties to digest.

The result could very well be that the government will be forced to go to Folketing with its budget without being certain ahead of time that it will get majority support.

Another risk confronting the government is the municipal elections in November. Before these elections the parties will naturally want to outline a clear profile. And now as always the nonsocialist parties have to live with the temptation in their election plans that it is easier to take votes away from one another.

The second largest government party, the Liberal Party, has a very strong position in the municipalities. The outcome of the Folketing election and the standings in opinion polls suggest that the Liberals will lose many seats and positions of power to the Conservatives. They will undoubtedly do everything they can to prevent this from happening.

This is one example of the inevitable conflicts of interest that exist even between parties that have been able to work well together in a government.

It should also be noted that government cooperation has not been the idyll that is sometimes presented. Especially in recent months the strident tones have been audible.

It will be a sensitive task in the future to continue the government's work and protect it from the infection of the election campaign and the election results.

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POLITICAL

FINLAND

LEADING NEWSPAPER COMMENTS ON KOIVISTO'S ADDRESS TO PARLIAMENT

Helsinki HELSINGIN SANOMAT in Finnish 8 Feb 85 p 2

[Editorial: "Koivisto Remains in Reserve"]

[Text] During his presidential term, which has now passed its 3-year milepost, Mauno Koivisto has consistently stuck to his policy line: The responsibility for the country's domestic policy belongs insofar as is possible to the government and Parliament. The president must remain in reserve and concentrate primarily on the direction of foreign policy. Koivisto's address at the inauguration of this year's parliamentary session conspicuously followed this line.

Koivisto emphasized that the ability of democracy and parliamentarianism to function depends largely on how actively citizens participate and their interest in the handling of and participation in public affairs. Citizens' opinions on Parliament and members of Parliament have a significant effect on this. That is why the recent discussion of Parliament's status and authority is, according to Koivisto, valuable in itself "even if nothing new is presented in the discussion."

In emphasizing Parliament's central position in our parliamentary system, the president reminded us that Parliament itself may also strengthen its position, if necessary, by amending the Constitution. He was referring to timely legislative reform. In the president's opinion, government proposals are not revolutionary, but certainly significant. Koivisto scrupulously warned against adopting any worse an attitude than that toward even proposals involving restriction of the president's power to act. Thus he issued the message that it is entirely a matter for the government and Parliament.

Koivisto again indicated that he very closely followed public debate and the evolution of citizens' opinions. This is in keeping with his publicly announced policy line, but, on the other hand, it seems to reflect the president's hypersensitivity and impatience with its unpredictable aspects.

For example, the recent debate over the wisdom of a consensus policy already seems to be trying the president's patience because "sensible alternatives have not, for all that, been proposed." In Koivisto's opinion, it is to be hoped that the dispute over the need for a consensus policy and its content will be settled long before the expiration of the current wage agreements in February of next year.

The president's pessimism with regard to the evolution of the international situation was slightly eased as early as in his New Year's address. This time he dared to describe the atmosphere as being more favorable than it has been in years, the basis for which has been created by the Soviet Union and the United States' mutual agreement to set in motion negotiations on space weapons on a new basis. Alluding to the concern expressed in his New Year's address over the threat to the Nordic countries posed by superpower cruise missiles, Koivisto reiterated that there is reason for us to hope that the negotiations will also remove these causes for concern.

This time the president had reason to view the national economy's immediate prospects in a slightly more pessimistic vein. While the past year was in many respects a good one, overall production was in the end less than anticipated and unemployment was not reduced to the extent it had been hoped. The reason was above all the decline in investments. The president urged his listeners to consider to what extent investments could be supported with economic measures. Fortunately, they already understand this in the government and the Bank of Finland too.

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POLITICAL

FINLAND

POLISH TRIAL OF POLICE SEEN SIGN OF IMPROVING SITUATION

Helsinki HELSINGIN SANOMAT in Finnish 10 Feb 85 p 2

[Editorial: "Show Improves Things"]

[Text] For 6 weeks the trial of four secret police officers in Torun for the murder of a Catholic priest had rocked the socialist government in Poland. When the trial ended on Thursday with prison sentences for only the four originally accused, the rocking of the system seemed to have eased up.

A shadow of a doubt certainly remains. We cannot believe that Col Adam Pietruszka's authority in the Interior Ministry alone was sufficient for the commission of a crime that went as far as kidnaping and murder, "administrative steps." His superiors have remained out of the case. The structure itself has not been shaken.

Still, it would have been impossible to expect a trial without the feeling that a show was being put on. Since the sentences were handed down, the atmosphere in Poland has improved. The party leader, Gen Wojciech Jaruzelski, performed his role in a dialogue with the church and its leader, Cardinal Jozef Glemp, that healed the nation's wounds.

Neither the official church nor Glemp were fond of the murdered priest, Father Jerzy Popieluszko. Glemp had tried to get him sent out of the country, to Rome. After the murder, Glemp prevented Lech Walesa from rousing the church-going public to join in a mourning celebration organized by the Solidarity Union in memory of Popieluszko. As Glemp sees it, at the worst Popieluszko would have been a church Walesa and another popular uprising would have been too much for Poland.

Since the dialogue between the state and the church, the wings of the extremist attitudes have been clipped. The pulpit's secular influence has been narrowed, but then the secret police is not what it was before either. Despite the public trial, Jaruzelski has nonetheless not jeopardized Poland's position in the eyes of its socialist neighbors, which, after all, is the most important thing from Poland's standpoint.

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POLITICAL

FRANCE

ITALIAN JOURNALIST REPORTS ON NEW CALEDONIA SITUATION

Rome L'ESPRESSO in Italian 24 Feb 85 pp 30-33

[Article by Roberto Fabiani: "This Isn't Paradise Any More"]

[Text] France is looking at its last colonial war, a war that is reminiscent, in miniature, of the one in Algeria. We went to see what is happening down there, in the South Pacific.

Noumea (New Caledonia). The reinforcements are slipping in without publicity, aboard commercial airlines, sporting what has to be the greatest array of Hawaiian and Bermuda beach shirts ever assembled. The haircuts, though, all alike, all regulation-style, make it easy to spot the young officers and NCOs for what they are: Foreign Legion paratroops, veterans of Lebanon and Chad; gendarmes from the Republican Security Forces (an outfit something like the Italian Celere riot squads), mobile units from the Army. With no barracks available, they move into the hotels in a capital barren of tourists, only to emerge a few minutes later in full combat gear: the paratroops take up stations at the airport and the power plants; the gendarmes continuously patrol the sun-scorched streets of the capital, while the army pushes into the interior, where the rebellion has been building in violence for 3 months. French President Francois Mitterrand has pulled no punches in his move to pacify the rebellious island: he has dispatched six Puma attack helicopters, seven warships, and 6,300 soldiers; all of which, in a total population of 146,000, works out to one man in uniform for every 24 civilians.

That is an imposing array of force for this island about the size of Apulia, an almost uninhabited speck lost in the vast reaches of the South Pacific. It looks as if it were made by a maddened Cyclops delivering colossal hammer-blows and scattering bays, beaches, and impervious mountains plunging straight down into a glassy sea. The Polynesians say that New Caledonia is "the island closest to paradise," and that if you would experience an intense and delightful love affair, you must have it there. The more prosaic French call it "the rock," one of the few remaining scraps of what was their colonial empire. Caledonia, though, is not a

colony: Caledonia is France. And every one of its citizens is a full-fledged French citizen, complete with passport, the franchise, and the obligation to pay taxes and serve in the military.

Here lies the core, the cause, and the explanation for a complicated imbroglio that since last November has troubled the sleep of the French and of their president, and forced at least three major world powers to hold their antennas glued on the inhabitants of Caledonia, a kaleidoscope of races, dialects, customs, and cultures probably unparalleled anywhere in the world, especially when you consider its minuscule dimensions.

First of all, there are the Kanaks, the aboriginal people of the island. They have been here for 3,000 years, coming from nobody knows where, not much inclined to work, pretty fair fishermen and excellent hunters, not aggressive in the least, and totally uninterested in war.

The 1983 census counted 61,870 of them (52 percent under age 20), scattered through the interior and in the north in 237 different tribes, some of them with only 30 members. Evenly split between Catholic and Protestant, the Kanaks have communism in their blood: they have no concept of private property: whoever has something makes it available to all (which effectively prevents the emergence of any economic activity, in the western sense of the term, because to open a shop or a gas station means seeing the stock disappear in exchange for nothing) and all are unquestioningly obedient to the tribal chief. They have a mystical reverence for the land, although they leave working it to the women, and grow only enough for their daily needs. Even so, the Kanaks own a lot of land: 383,000 hectares, the third-largest holding on the island after those of the government and of the Catholic Church, divided into 32 reservations: those planted by the French when they occupied "the rock" in the middle of the 19th century. And they confined the natives in those reservations.

Then came colonialism unalloyed. Forced labor at low wages, denied admission to the public and State schools and hence plenty of room for religious instruction; when the curfew cannon fired, at 1900 hours, all Kanaks had to be in their houses or on the reservations. That lasted until 1946, and even today, a century and a half after the colonists arrived, there is only one Kanaka physician (but he practices in Paris) and only one Kanaka magistrate. Perhaps, though, it could not have been any different, in view of the fact that the first batch of colonists were not the most desirable sort: that rock 20,000 kilometers away from Paris was used by France as a safe dumping-ground for deportees whose crimes were not quite heinous enough to warrant the guillotine. The French in Caledonia today are the descendants of yesterday's knaves and scoundrels, and shout their Frenchness to the four winds, along with their inalienable affection for the Motherland. In all, they number 53,000, concentrated mainly in the capital where they run the administration and the infrastructures, operate stores and hotels. Some of them own vast estates in the interior where they raise cattle.

Along with these two major communities that, these days, snarl at each other and sometimes even shoot at each other, there is a handful of other groups who have washed up on these shores from every corner of the world: 5,000 Indonesians and as many Tahitians, eight million immigrants from the Lifou Islands, 2,000 Vietnamese, 12,000 handsome black giants from the Wallis Islands who are formidable workers. Of course there are the requisite Italians, 320 strong, most of them from Abruzzo and Bergamo, engaged as usual in the building trades, who get together at a restaurant known as "La Maffia," whose proprietor is a lady from Trieste.

This mish-mash of races, all of them French nationals as of 1952, has managed to live fairly peaceably together in the shadow of the great and far-off mama... who had sins of her own to beg forgiveness for! Accordingly, she set about redeeming her soul. She built houses in the Kanaka reserves, to which she has also granted a unique privilege (a kind of extraterritoriality under which the police may not set foot in a reserve unless summoned by the tribal chief), and piped in water and electricity free of charge, built roads, and opened schools. Two months ago construction was halted on a bridge from the mainland to a tiny island on which 19 Kanaks live: it cost a billion and a half lire.

In several ways, though, this is charity, because the island's big wealth remains in the hands of those who have always held it: the white French, pejoratively referred to as "Caldoches": fifteen families own a third of the land; caldoches own the real treasures of Caledonia: the open-pit nickel mines where extraction costs are nugatory, and which hold the biggest reserves in the world. And white Frenchmen own the gold, chrome, and manganese mines as well.

There came a point, about 10 years ago, when this state of affairs began to sit ill with the Kanaks. There was a little party, known as the Caledonian Union, that mainly sat and dozed, but would from time to time rouse itself sufficiently to wave the banner of independence and severance from France, amid the obvious disapproval of the caldoches. Then came a new party secretary, Pierre Declercq, a man of decision, who came up with the following platform: Caledonia to be given back to the Kanaks, all of it: land, sea, mines; if the whites want to stay at our sufferance, fine; otherwise they are quite welcome to leave. Declercq wound up shot dead on September 1981. By that time the flames of independence were leaping high, and more fuel for those fires was provided by President Mitterrand, who had made a solemn promise in his election campaign to grant the rock independence. However, the rock -- or at least half its inhabitants, wanted no part of this highly touted freedom: the caldoches, who saw it as a threat to their privileges and fortunes, didn't want it, and neither did the Tahitians, the Indonesians, or the Vietnamese. Not even the Italians wanted it, though they had no say in it and were not involved in politics, but who, privately, viewed the French pullout as a calamity.

If we scratch into the superficial coating of slogans and catch-phrases, we find that not even the Kanaks want it, and a survey conducted on the island by the French weekly PARIS MATCH was not without impact in early February, when it revealed that only 25 percent of Caledonians favored independence. That is a quarter of the population, but it is aggressive and determined, and France will have to reckon with it. Just what that handful of people can do, we started seeing last September: to begin with, they set up the National Socialist Kanak Liberation Front (FLNKS) which brought together five political parties, ranging from hard-line Marxists to lukewarm Social Democrats. The Front's leader was ready in the wings, already endowed with natural authority and universal respect: Jean-Marie Tijbaou, 56, a former priest and vicar of the Noumea Cathedral; a gifted speaker, with mobile features that can shift quickly from hard as iron to soft and gentle. He immediately formed a provisional government of three ministers, and set up its headquarters, complete with flag and permanent guard, in a wooden bungalow on the outskirts of the city and under the worried eyes of the gendarmerie.

He then drafted his platform, which was trumpeted to the four winds by his press aide, Jean Jacques Bourdinat, a 48-year-old white Frenchman who has stood by the Kanaks for 30 years: "We shall fight to the death for our independence; if they do not give it to us in a nice way, we shall wrest it from them in unpleasant ways. We shall bring the economy to a halt and sow terror along with violence. We shall plant bombs in the shops, in the schools, and in the churches, and France will not be able to station a paratrooper in front of every possible target." So where were all these weapons and all these bombs? And where is the Kanak army? As it turned out, they were there, but nobody had noticed them. And they had a tough and pitiless leader in Eloi Machoro, a force. He isolated the zone with hundreds of barricades made of tree-trunks and marched on La Foua, on the Western coast.

The caldoches were alert, and Machoro was pushed back into his territory where a gendarme sniper was waiting for him, and killed both Machoro and his brother with a single shot. Eloi Machoro became a Kanak martyr, and December was a month of bloodshed: the reserves were turned into forts, and so were the white-owned farm-houses, whose owners at Hienghene, toward the north, ambushed a group of Kanaks and killed ten of them, two of them Tijbaou's brothers. That was a fine welcome to President Mitterrand's special envoy, dispatched post-haste to Noumea to size up the situation: Edgard Pisani, who had served in Gen Charles De Gaulle's cabinet, full of years and experience, looking like a cardinal, soft-spoken, with a sense of theater, clearly at ease in the role, utterly self-assured. He was bringing the Socialist word: independence, because it is written in promises and in history. So saying, he even set the date for independence in January 1986. He had not thought about the descendants of deportees, who rose up as one man, set fire to the houses around the ambassador's residence, and covered the walls of Mounea with grafitti that left no room for doubt:

"We shall remain French forever!" "Machoro, you filth, at last you're dead!" "Pisani, go back to Bois de Boulogne!" (a Paris park frequented by homosexuals and prostitutes). The news services announced that the caldoches had oiled up their rifles, sent the children away, and were hunkering down to fight off the Kanaks, the gendarmes, the paratroops, and all comers. And before the eyes of Pisano and President Mitterrand, 30-year-old memories flashed: Recollections of Algeria, where 200,000 Frenchmen were ready to do battle with 10 million natives and against the government in Paris, to shouts of "Algeria is France and France must stay!"

Strong in his own prestige, De Gaulle solved that problem. Maybe Mitterrand caught something of that mood when in mid-January he flew to Caledonia convinced that he could conjure up who knows what kind of charisma; on hand to welcome him were 30,000 caldoches who had painted the whole island in the blue-white-and-red colors of the French flag and on whom he did not deign to cast so much as a glance. Also waiting for him was cardinal Pisano with his umpteenth proposal designed to make everybody unhappy: let them hold a referendum next July, and let the people decide their fate. It was promptly turned down by the Kanaks: they know perfectly well that they wouldn't have a prayer of winning.

That was the situation on "the rock" in mid-February, while the socialist government was forced to proclaim a state of siege and actually to appeal to the Strasbourg court for permission to suspend the Human Rights Charter, readied its weapons, reinforcements were coming in, the death-toll had already reached 24, and there were more than 100 people in jail, all Kanaks.

And yet, on the walls of Noumea, where gigantic grafitti used to hurl maledictions at the Paris government and threaten indiscriminate slaughter, more and more messages are appearing these days with a very different tone: "Neither you without us, nor us without you." No signature, but a message sent up in the air for wny-one who wants to and can catch it may do so. It's only a hope, and a little one. If this one vanishes too, there will be blood in Caledonia, "the island closest to paradise.

6182

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POLITICAL

FRANCE

MANAGEMENT CHANGE AT RENAULT MAY BE BAD NEWS FOR CGT

Paris LES ECHOS in French 21 Jan 85 p 4

[Article by Phillipe Eliakim: "Bad News for the CGT"]

[Text] A change of the Chief Executive Officer (CEO) at Renault would have "no special significance," Henri Krasucki stated yesterday. No matter. The replacement of Bernard Hanon by Georges Besse would be bad news for the CGT. Even if it doesn't want to admit it.

The CGT is not budging. In its view, what is troublesome at Renault isn't the personality of the CEO but the strategy the government dictates to him. A postulate with this corollary: the possible replacement of Bernard Hanon by this or that senior civil servant in fact is of only little importance. In making that point yesterday on television, Henri Krasucki brushed aside with a sweep of his hand the ill will which his union is suspected of having toward George Besse. "We aren't going to get into a fight with him," he has been anxious to make clear.

So be it. That the CGT holds the government directly responsible for the situation at Renault isn't surprising. Its militants, who in other times had gotten into the habit of going to the Industry ministry to complain of the negligence of certain managers of nationalized enterprises, are almost tempted today to do an about-face. They appear in any case more ready than in the past to denounce the "weight of state guardianship." Considering that, the possible replacement of Bernard Hanon by Georges Besse is not as Henri Krasucki would like to have it believed, a mere adjunct for the CGT. One has every reason to think that it is even bad news for the CGT. At least for three reasons.

In the first place this would be confirmation that the government wants to straighten up Renault by painful surgery. Georges Besse, who saved Pechiney by successfully developing a "pullback" strategy, is seen as a past master in the situation. A bad sign.

A second reason for CGT fear is that the arrival of Georges Besse at Billancourt would risk hardening labor relations at Renault. Not that the

CEO of Pechiney has the reputation of being a leading union buster--one can even say that he knew how to start up a real labor-management dialogue within the group at Rue Balzac. But succeeding a Bernard Hanon, who was always soft on the CGT (that is one of the criticisms of him at the Industrial Redeployment ministry) Georges Besse can only appear tough. And the CGT would risk having to reproach itself because, by refusing to sign the general agreement, it wittingly provoked the sidelining of Bernard Hanon.

Strong Position

It has in any case every reason to be offended at the fashion in which, if the agreement is confirmed, the replacement of Bernard Hanon will take place. As recently as last week, the three elected CGT representatives to the board of directors complained of being excluded from major decisions.

This will give them new arguments, since it is highly improbable that they were involved in choosing the new CEO. A situation even more contradictory since the law democratizing the public sector specifies that they should participate in his election along with the other directors.

In spite of it all, the CGT appears not to want to consider as a casus belli the official announcement naming Georges Besse. What is more, if it is confirmed, this change at the top of the group should not modify the CGT strategy. It would simply, perhaps, harden it somewhat.

This is because the CGT appears in a stronger position than ever at Renault. For example, it just ran off with 76% of the votes in the elections for professionals at Billancourt, being a 12% increase in comparison with the previous voting. And in most of the plants it gained ground--which lets it take a wait and see attitude.

For the moment its plan of action is simple: to try in every way to bring about a change in direction of Renault's industrial strategy. According to the CGT, that is the only way to guarantee employment and assure the recovery of the business. The tactic can certainly be profitable; but it does not rally support. And the arrival of Georges Besse makes victory in this area less certain.

In case it is blocked, the CGT then has the option to change course. It can still rely on a more classic strategy of defending purchasing power and fighting reductions in employment--hoping that this time the CGT members at Renault will mobilize.

12910

CSO: 3519/179

9 April 1985

POLITICAL

GREECE

ISRAEL'S PERES ON GREEK-ISRAELI RELATIONS

Athens I KATHIMERINI in Greek 10-11 Mar 85 p 5

[Interview with Shimon Peres, prime minister of Israel, by Jean-Jose Cohen, Athens correspondent of AL HAMISHMAR "Lack Not of Plans But of Dialogue in Middle East"; on 26 February 1985 in Jerusalem]

[Cohen] Mr. Premier, to begin with, I wish to thank you for this interview which is the first one an Israeli premier has granted to a Greek newspaper, and I submit to you my first question: you have done something unprecedented in international parliamentary procedures, and I'm referring to exchanging the premiership after 18 months with (the present minister of foreign affairs) Mr. Shamir. Do you think this experiment will succeed or will there be elections in the middle of the four years?

[Peres] I hope that it will succeed.

[Cohen] Allow me to shift the discussion to Greek-Israeli relations. Those are two of the most ancient nations in the area and yet they don't have normal diplomatic relations. What is the reason for this, in your opinion?

[Peres] I am very gratified by the relations ancient Greek philosophers had with the Hebrews but I am not at all gratified by Greece's relations with Israel. In fact I am very disappointed by those relations. And because I can give no explanation as to the reason, I don't believe that I have to comment on them.

[Cohen] Is Israel doing anything toward improving those relations?

[Peres] Israel is not responsible for those relations and therefore it does not have to do anything to mend them. We have no problem about maintaining normal relations with Greece. Difficulties come from Greece, not from Israel.

[Cohen] According to you, would it be possible for those two nations to cooperate on the international scene? That is, do they have common interests?

[Peres] I believe that peace in the area is in the interest of Israel. If Greece believes the same there clearly are grounds for cooperation. Besides, Israel is a small nation which has maintained its independence and is rather advanced in the idea of democratic socialism. If Greece shares the same beliefs, there are clearly grounds for cooperation.

[Cohen] Mr. Peres, if normal relations are established between the two nations, would you accept Greece's intervention in the problem of the Middle East? As you know, it has excellent relations with the Arab nations.

[Peres] I have nothing against Greece's good relations with the Arab nations. But if those relations are to the detriment of Israel I have a hard time visualizing what role Greece could play. There is a difference between adopting a one-sided stance toward a problem and adopting a stance to solve the problem. And for as long as Greece adopts a one-sided stance instead of adopting a stance toward solving the problem I can't see what role it can play.

[Cohen] Mr. Premier, on the occasion of this first interview given by an Israeli premier to a Greek newspaper, is there any message you would like to give to the Greek people?

[Peres] Ancient Greek philosophers said that heads of state should be philosophers. I also believe that when politicians are also heads of state they must work toward understanding and peace between nations. At various times relations between ourselves and the Greeks have been good or bad. We have the warmest feelings toward the Greek people, and I personally even more so, because when my now-deceased father was taken prisoner by the Germans he escaped and hid for one year in Greece. The stories he related to me about how Greeks behaved to him, and the monks in the monasteries in which he was hiding, are among the most moving that I have heard. And they will stay with me all my life. Personally, therefore, I naturally feel obligated to the Greeks.

12278
CSO: 3521/211

POLITICAL

GREECE

DANGERS INHERENT IN PROPOSED CONSTITUTIONAL REVISION

Athens I KATHIMERINI in Greek 12 Mar 85 p 4

[Article by Kon. M. Kallias, Former Minister of Justice, in The Column :
"Political Forum": "Gradual Elimination of Democratic System"]

[Text] A political bomb exploded with the unprecedented, from the standpoint of political ethics, recanting of the premier and leader of the PASOK regarding the person he and his "movement" were to designate as the presidential candidate. It is unheard of that the head of government and of the majority in parliament should have hidden the truth (I am expressing myself in the mildest possible terms) from the head of state up to the last minute.

In the cradle of democracy, Great Britain, this action would have resulted in permanent exile from political life.

This from a strictly institutional standpoint, regardless of the actual President of the Republic's stature, concerning a proposal to renew his term.

1. The surprise and shock caused by this recantation, as well as by the premier's attempt to play down the meaning of the proposed constitutional revisions, distracted the people's attention in the first hours, particularly from the latter. And yet they constitute a substantial modification of the political system, especially the radical change in article 110 of the constitution which leads in stages to the gradual elimination of the democratic system. This is why I will restrict myself today to what the PASOK is aiming to do by proposing a revision of that article.

2. To begin with, article 110 of the constitution is the most fundamental of all. Because changing it makes modification of the whole constitution possible. Therefore, this article should be defined as not open to any changes.

3. But the contents of the proposed modifications to that article are also a mortal threat to the democratic system .

Because although at this stage, in this phase, no attempt is being made to specifically revise paragraph 1 of article 110, which states that the basic provisions of the constitution which quote it, and especially those that determine the nature of the political system, are not open to revisions, the following dangers are still visible, even to the naked eye:

a) That, in essence, a "strict" constitutional system is repealed, since any ordinary parliament would be able to revise the constitution, and although this would require a relatively higher number of votes, those, according to circumstances, could be secured through collaboration with the KKE.

b) That following an eventual passage of the PASOK's proposal (which also contains a proposal to abolish the five-year period required between two revisions), it will be legally possible and politically certain that revisions by the parliament formed in the upcoming elections will follow. So that the PASOK gets its old promise of a socialist constitution enacted which, to put it euphemistically, would establish a plurality of socialist parties, that is a contrived variety of parties whose programs will basically go along with the aim of abolishing a Western type of democracy and overthrowing the social order.

4. At first sight paragraph 1 of article 110 of the Constitution, whose specific revision is not being attempted at present, appears to be an obstacle. But it too is being indirectly violated. Because among the revision proposals there are also provisions about the nature of the political system as a republic with a president. (Article 41 in particular). Furthermore, with the congenital urge to upset things which possesses the PASOK, I fear that paragraph 1, to put it bluntly and clearly at this point, will be the victim of the next constitutional revision. And, of course, "progressive" constitutional legislators will be found who will claim that there is no constitutional obstacle and who will support an attempt at a specific revision of paragraph 1 of article 110 as well.

There is no doubt, however, that the PASOK follows to the letter the system of the communist nations, which retain the names of institutions but strip them of their essential content. They retain them as aliases, euphemisms or deceptive slogans. And consequently the eventuality that the PASOK too may proceed to overthrow fundamental institutions while retaining their names, is not to be ruled out.

5. Those dangers are enhanced by stripping the president of the republic of his prerogatives, supposedly to shift them over to parliament but really to the executive office of the PASOK, if it happens to hold the majority in parliament. Because with the "slate" system, both election and reelection of deputies hang on the arbitrary will of the leader and his close associates.

6. From all the above it can be inferred that there is only one way to forestall the danger to the democratic system. Which is to crush the PASOK in the upcoming elections through a majority of popular votes from those who believe in democratic institutions.

12278

CSO: 3521/211

POLITICAL

GREECE

SOVIET DELEGATION ATTENDS ANNIVERSARY CELEBRATION

Athens AKROPOLIS in Greek 8 Mar 85 pp 1,7

[Text] The Supreme Soviet of the USSR has decided to confer on the Greek-Soviet Union the medal of friendship among nations on the occasion of the fortieth anniversary of its foundation.

The minister of the fruit and vegetable industry of the USSR, Nikolay Kozlov, who is also president of the Greek-Soviet Union, announced this soon after he landed in Athens.

"We came to Greece," he declared to the RIZOSPASTIS, "at the invitation of the Greek-Soviet Union to celebrate together the fortieth anniversary of the foundation of unions for friendship between our countries.

"I have the pleasure to announce that the Supreme Soviet of the USSR has decided to confer on the Greek-Soviet Union the medal of friendship among nations for its decisive participation in promoting friendship between our two nations.

"I am sure that our contacts will contribute to further strengthen our ties. Greek-Soviet relations have been developing along particularly positive lines lately. An example of these relations is the Greek premier's recent trip to the Soviet Union, and the warm welcome he received. I believe that for all the issues discussed, solutions acceptable to both governments were found."

Platon, the representative of the Russian Orthodox Church, who is a professor at the Zagorsk seminary and a member of the administration of the Greek-Soviet Union, is also among the members of the delegation, which will stay one week in Greece in order to take part in the Greek-Soviet Union's fortieth anniversary celebrations.

The delegation was met at the international airport by the charge d'affaires of the USSR in Greece, Pushkin, and by the secretary general of the Greek-Soviet Union, G. Psalidopoulos.

12278
CSO: 3521/217

POLITICAL

GREECE

ND PROTESTS GOVERNMENT GRANT TO ZIMBABWE

Athens AKROPOLIS in Greek 8 Mar 85 pp 1,7

[Text] The leader of the New Democracy, Mr. Mitsotakis, has published a document confirming criticism that the government is squandering public funds.

The document concerns a promise Mr. Papandreou made to the Zimbabwe premier to allocate from the national budget \$1.2 million or 160 million drachmas to him for works in Mozambique.

When he disclosed this revealing document Mr. Mitsotakis emphasized that: the government is very wasteful in allocating public funds. Adding that the premier does not have the margin to distribute thus millions of dollars in Zimbabwe or anywhere else.

The document was addressed by the alternate minister of foreign affairs, Mr. Papoulias, to the ministers of public works and finance, asking to be informed whether they had attended to having the relevant credits included in the budget, so that the prime ministerial promise could be fulfilled.

The document, which is dated November 1984, and is also being publicized in the Greek embassy in the capital of Zimbabwe, Harare, runs as follows:

REPUBLIC OF GREECE
MINISTRY OF FOREIGN AFFAIRS
B 3 Directorate
Athens, 15 November 1984

Doc. No:

B 3 DF 6005)189)AS)727

To: - Office of the Minister of Public Works
- Office of the Minister of Finance

Notification: - Embassy of Harari

We would like to remind you that during the official visit here of the Zimbabwe premier, Mr. Robert Mugabe, in 1982 the premier promised him aid of \$1.2 million to carry out works in the port of Beira in Mozambique.

We request you to see to it that an equivalent amount in drachmas is included in the 1985 budget so that prime ministerial instructions can be carried out.

The Alternate Minister

Karolos Papoulias

Claims

In reply to Mr. Mitsotakis' revelations, Mr. Papoulias declared that: "The aid to Zimbabwe is aimed at a many-sided promotion of our interests in that area, to strengthen," he added, "the Greek presence in Africa."

He also referred to the fact that promoting our mutual ties with African countries is a precondition for Greece's participation in development programs which are financed by the EEC and the UN.

Finally, Mr. Papoulias resorts to the government's well-known tactics, claiming that Mr. Mitsotakis is undermining the government's efforts to serve national interests.

12278

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POLITICAL

GREECE

REPORTED TRUE FACTS BEHIND DUMPING OF KARAMANLIS

Athens I KATHIMERINI in Greek 16 Mar 85 p 5

[Editorial: "Repulsive Wretchedness..."]

[Excerpts] Faced with a general outcry, the PASOK government was compelled to withdraw the proposal for the revision of article 110 of the constitution--regulating the conditions and procedures for the revision of the charter of the republic--a "revision" (read essential abolition) that would have opened the way for the destruction of our constitutional guarantees and freedoms, and the imposition of autarchy by a party holding a circumstantial majority in the Chamber of Deputies. Fortunately, the danger was more widely perceived and reactions became stronger almost throughout the entire political spectrum.

However, one must not nourish any illusions. What is even more important than the relinquishing of the above proposal is the true stance and the real intentions of the ruling party (or, rather, of the ruling group) vis-a-vis democracy. By its recent moves, this group rejected the last trace of make-up and showed its true face. It showed that its objective is, in essence, the removal of that constitutional legality that would prevent its definitive hold on power and its unchecked exploitation.

By withdrawing the proposal on article 110 of the constitution, the group simply resorted to a tactical maneuver. It did not change its mind. Let no one hold the slightest doubt that it will come back at a more convenient time, when (and if) circumstances would be more advantageous.

The issue is not the dumping of President Karamanlis. All personalities are fated to fade away, no matter what their stature. We believe that Mr Karmanlis' presence in the presidency was useful and advantageous for the country from all aspects under present conditions, both internal and external. This conviction was, moreover, shared by the prime minister and leader of the PASOK, by his party and by the largest part of the pro-government press. It was Mr Papandreou's right--let us repeat it for the hundredth time--to make another choice. But he should have made it publicly and with candor, he should have announced it to his party and to the public in timely fashion and as soon as he had made the decision. In a word, he should have acted directly and with honesty. Instead, he assured Mr Karamanlis that he and his party would support his candidacy when he had already decided to do the opposite....

Please note some aspects of the entire procedure.

The discussions for a change in direction and choice occurred within a very small circle, to the total exclusion of top officials of the party and government; this circle included 3 or 4 persons, among whom the one mainly responsible for the change. As they saw it, the goal of the maneuver was to turn the present prime minister into an essential monocrat by the installation in the presidency of a man who, while honest, is inactive and colorless.

Several names were mentioned, some of whom--one of two--were apparently sounded out and refused, before Mr Sartzetakis' name was mentioned. The proposal, which he accepted, was made to him by a top official of the government and party the morning of Friday 8 March. The evening of the same day, the same top official went to the presidential palace and, while fully aware of what would happen, assured the competent official that everything was ready and that the next morning, the PASOK Central Committee would decide to support Mr Karamanlis' candidacy for presidency....

...While the prime minister, in his speech the next day, proposed Mr Sartzetakis for the post and asserted that the latter... knew nothing of the proposal....

CSO: 3521/213

POLITICAL

GREECE

NOVOSTI CORRESPONDENT ON AGREEMENT WITH USSR

Athens TA NEA in Greek 11 Mar 85 p 4

Correspondent Extols Agreement

[Article by Boris Korolev: "What Was Agreed in Moscow"]

[Excerpts] Athens is the noisiest city in the world. The decibel level is higher than the noise of Paris, Chicago and the Japanese Diet combined. However, this noise was recently covered by the hard teeth-grinding of the reactionary forces when they saw in the morning papers the joint Greek-USSR communique about the talks in Moscow.

From this chorus of angered voices, let us hear the most representative ones:

"The Moscow agreements will bring mediocre economic advantages," states I KATHIMERINI in measured tones.

"Prime Minister Papandreu's visit to Moscow ended in a fiasco for the Greek Government at all levels," the newspaper ELEVTEROS TYPOS writes.

Level Was High

What can one say to the press? First of all: the level was high.

"This visit," the Greek prime minister stated, "was the most productive and the most successful I have made abroad in the last 3 years."

The ESTIA Newspaper stressed, in hysterical tones, that whatever was agreed in Moscow only serves Soviet interests, and Greece gets nothing out of it.

Fully Satisfied

The answer was given by the prime minister himself when he started that "the Greek side is fully satisfied with the results of the talks."

"Papandreu came back from Moscow empty-handed!" This is what the APOGEVMATINI newspaper wrote. And here I find myself agreeing with it! I saw Andreas leaving the aircraft upon his arrival in Athens. He was also seen by millions of Greeks: he did indeed come down with empty hands.

But why did he not bring something back from Moscow?

No. The reverse is true.

Andreas Papandreu brought so much back from Moscow that no one man can carry it in his hands. Millions of people cannot lift the load he carried back from Moscow.

And this is enraging the reactionary forces.

But what did Mr Papandreu bring back?

"He brought back the understanding and the support of the Soviet Union for whatever Greece is attempting to do that is in the direction of peace for Europe, for areas far from Greece and for areas close, around Greece.

Answer With Facts

To the people who maintain that this is all propaganda, facts and numbers are there to respond: how many unemployed are there in Greece? More than 300,000. So, Andreas Papandreu brought back from Moscow 400,000 jobs for the Greeks. In the Skaramangas shipyards, in the construction of the natural gas pipeline, in the construction of the Athens underground, in the ports of the Ionian and Aegean, in the alumina plant, in the firms that will produce goods for the Soviet Union, in the ships that will carry tons of Soviet oil to Greece, in the hotels that will be built in Soviet tourist centers. Is this enough? Or should I go on?

Add the value of all the agreements that were signed in Moscow and you get 5 billion dollars. I may be wrong; it may be that the amount is considerably higher.

Andreas Papandreu brought back from Moscow 500 dollars for every Greek. For the old and for the young. For the men and for the women. For the fisherman in Poros Island and for the housewife who shops on Ermou Street. And for every-one of you, gentlemen of the Right.

And for everyone of you, reporters of the independent press, who are using the freedom of the press granted you by the government for the freedom of lying in the interests of your master.

"It is not convincing. Shout louder!" This was noted by Churchill in the margin of his paper during a conference.

Gentlemen, shout louder!

Soviet Reporter's Statement Derided

Athens I VRADYNI in Greek 13 Mar 85 p 3

[Text] Mr Andreas Papandreou, Esq.

Prime Minister

Kastri

Mr Prime Minister,

I read in the TA NEA newspaper day before yesterday an article by Soviet "reporter" Boris Korolev which said, among other things: "Andreas Papandreou brought back from Moscow \$500 for every Greek. For the old and for the young and for the men and for the women and for the fisherman and for the housewife and for everyone of you, gentlemen of the Right."

Mr Prime Minister, because I have a family and because I find it difficult to make ends meet, would it be all right to wire me the dollars you brought for me from Moscow?

For your information, let me say that my family is comprised, besides myself, of my wife, my two children and my mother-in-law. That is, you owe me 5 times 500, or 2,500 dollars.

Please accept my thanks for bringing those dollars, and I would also like to thank Mr Korolev, who opened my eyes.

Respectfully,

A gentleman from the Right

P.S. Please send the amount in dollars, because I intend to exchange them on the black market, where the dollar has reached 200 drachmas. Indeed, I shall also keep some to exchange in the Soviet Union, where they bring 5 rubles per dollar.

Editors' Union Disapproval

Athens I KATHIMERINI in Greek 19 Mar 85 p 2

[Text] In relation to the provocative article by the Soviet reporter, Mr Boris Korolev, which was published in the newspaper TA NEA of 11 March, the ESIEA [Union of Athens Daily Newspapers Editors] has made the following statement:

"The ESIEA administrative council rejects the text by Mr Boris Korolev, correspondent for the Soviet News Agency NOVOSTI, published in the Monday 11 March edition of an afternoon daily, as offensive, undignified and insulting to the self-respect, the authority and the reputation of Greek newsmen.

"The author of the article is attempting to deal a blow to the press of a democratic country by making grave statements against Greek newsmen, who are conducting their activities in a free, uninfluenced and unobstructed manner.

"We offer to the general disapproval one paragraph only--among many--of the unacceptable text, which deeply affects the feelings of freedom and independence, not only of newsmen, but of all Greeks.

"Mr Korolev writes about the advantages of the recent Greek-Soviet agreement and states that 'Mr Papandreou brought back from Moscow \$500 for everyone, and that this is the case for every one of you, reporters of the independent press, who use the freedom of the press granted you by the government for the freedom of lying in the interest of your master.'

"The ESIEA proclaims that the freedom of the press was granted by no one in this country. It was won at the cost of great struggles and sacrifices by the Greek people and the newsmen.

"The administrative council believes that such articles--especially those whose authors are foreign newsmen--not only exceed the unwritten rules of this country's hospitality, but also create the impression that the Greek people is being scorned."

CSO: 3521/219

POLITICAL

GREECE

PASOK'S SARTZETAKIS CHOICE SEEN PROBABLE MISTAKE

Athens I KATHIMERINI in Greek 21 Mar 85 p 4

[Article by E: "Mistakes..."]

[Excerpts] "What do you believe?" That was the foreigner's question during a discussion among reporters. "If Mr Sartzetakis is elected, could he develop into a PASOK-Poodle...?" Now, poodles are those curly, vivacious, especially clever, but at the same time obedient, dogs which learn to follow directions and to listen to orders.

Opinions, of course, were divided, but in general, those who thought that if Andreas Papandreou chose him, it must be that he is certain of his obedience, were in the majority.

I don't know whether those who have a different opinion will be vindicated in the end, but there are those who believe--and I am among them--that with Mr Sartzetakis, Andreas is adding still another mistake to the great "mistake of the century" he committed when he dumped Mr Karamanlis. This is common among our politicians: just when they have reached genuine success thanks to inordinate efforts and they have somehow ensured their political future, some inner devil pushes them to a fateful mistake, so that alone, without assistance from any enemy, they destroy their own accomplishments.

But leaving temporarily aside Andreas' great mistake, for which I sincerely believe we should be grateful to him, I would like to mention his smaller error, Mr Sartzetakis' choice.

At this time, we don't know what the results of the third round will be on 29 March. Fortunately, the situation has not developed into some kind of dictatorship, to the point that results are known ahead of time, as in some of our "friendly" countries.

There are some suspicious individuals who don't believe that Andreas really wants Sartzetakis, and they maintain that he is obliquely--as usual--getting ready to climb to the throne of the presidency.

Nevertheless, there are strong possibilities that we shall get Khrostos Sartzetakis as president of the republic until the year of our Lord 1990. And

at that time, the possibility that Andreas Papandreou made a mistake will become apparent.

I don't know Mr Sartzetakis well. I know him, as the majority of Greeks, from two main chapters of his life. When, as a judge in Salonica in May 1963, he undertook the investigation of the Lambrakis murder, and when, under the military dictatorship, he was exiled, jailed and ended up in the dungeons of the Greek military police.

We watched Mr Sartzetakis' second adventure from afar, at a time when many of his colleagues were humbly adhering to the dictates of the military and were giving a less than flattering image of Greek "justice."

Distinguished observers used to come to Greece at the time, only to turn away in disgust, taking back the most dreadful impressions.

At that time, Mr Sartzetakis must not have shown any evidence of either discipline, obedience or fear. When all is said and done, there were very few distinguished citizens who reached the dungeons of the military police and who remained there without repenting, without "sobering up," and in writing, no less....

Why is it that now, people are getting ready to receive him as an accommodating president compliant to the PASOK, devoid of any sense of duty, ready to remove from the presidency its most important assets and to pass into the annals of history as an insignificant entity almost subordinated to Andreas Papandreou?

So far, the man has shown intelligence, persistence and courage. How can Kastri [prime minister's residence-office] be so sure that he is ready to sacrifice everything to the altar of the PASOK?

Is it possible, as we believe, that Papandreou is making a mistake...?

CSO: 3521/220

POLITICAL

GREECE

SARTZETAKIS' PERSONALITY, BACKGROUND DISCUSSED

Biographic Data

Athens ELEVTHEROTYPIA in Greek 11 Mar 85 p 19

[Excerpts] Khristos Sartzetakis belongs to that category of judges who have always served the idea of justice and democracy with passion, responsibility and unbending fairness.

"I take orders only from my judicial conscience," was his answer to the threats and pressure when, on 26 May 1963, at the age of 34, he was entrusted with the investigation of EDA [Greek Democratic Left] deputy Lambrakis' assassination.

Acting solely on the dictates of his judicial conscience and overcoming all obstacles, Sartzetakis delved deeply into the investigation and ordered the arrest of the then inspector of Gendarmery, Gen Kon. Mitsou, and of other officers.

Khristos Sartzetakis was born in Salonica in 1929. His father Andonios, a Cretan, was a Gendarmery officer and was repeatedly persecuted and jailed as a democrat by the anti-Venizelos group. The presidential candidate finished high school in Salonica and entered law school in 1946, from where he was graduated "cum laude" in 1950. In 1955 he was appointed justice of the peace. He served in various cities of Northern Greece and was later appointed investigator in Salonica, where the Lambrakis affair came to trial. He thus had the opportunity to show his capabilities as a judge and his unbending courage as a free democratic individual.

When the investigation closed, Sartzetakis took an educational leave of absence in 1966 and went to Paris on a grant to study civil law. Under Prime Minister Kon, Kollias, the dictatorship recalled him and appointed him judge of first instance in Volos. Sartzetakis was well aware of the junta's intentions, but he returned to Greece without hesitations and fear.

On 29 May 1968, the junta dismissed 30 high and highest judges. Among them was Sartzetakis.

Together with other judges, Sartzetakis had recourse to the Council of State. His request was granted and the junta's decision was rescinded, but never

applied. He turned to the practice of law in order to survive, but never made a secret of his opposition to the dictatorial regime. He was finally arrested, jailed and tortured. Transferred to the Korydallos Prison, he remained in jail for one year without being formally indicted.

Sartzetakis returned to the judicial corps after the fall of the junta. He was appointed to the Court of Appeals and later was made president of the Court of Appeals in Nafplion, where he served until November 1982, at which time he was appointed to the Areios Pagos [Cassation Court] and moved to Athens. He married Efi Argyriou, an archeologist, in 1979. She works in the publications department of the Academy of Athens. They have a 10-month-old daughter.

Sartzetakis speaks French and English well and has a wide-ranging education. Those who know him are struck by his high morals and his character, by the independence of his spirit and his deep belief in the principles of democracy and justice. Everyone is convinced that, if elected, he will do honor to his duties as president of the republic.

Father, Sister Interviewed

Athens ELEVTHEROTYPIA in Greek 11 Mar 85 p 18

[Article by Giannis Liapis: "Khr. Sartzetakis"]

[Excerpts] Salonica, 11 Mar--There was a widespread fear of words like "democracy," "parties," "politics" in the house where Khristos Sartzetakis, presidential candidate, was born, as well as two persons who did not wish to speak: his old father and his unmarried sister.

"And what do we have to say?" This was Andonis Sartzetakis' first reaction yesterday on the telephone, when we asked him if he would receive us. "A lot of things...you could tell us how he was as a child, was he a good student, did he participate in any demonstrations, did he belong to any organization..."

"What are you talking about? Khristos in a demonstration? Goodness gracious, never...."

A pause. And then, the request is granted.

Khristos Sartzetakis was born and grew up in an old 2-story building, where his father and sister still reside, at 59 Madytou Street. In the Neapoli section. A clearly working class and underdeveloped neighborhood of Salonica.

The presidential candidate's sister, Miss Evstratia, welcomes us. She is wearing black ("We lost my mother less than a year ago") and has a cultivated, strong voice. She looks surprisingly like her brother. "Yes, of course," she says, "there are many people who believe we are twins." She smiles shyly.

"How do you feel now?"

"I am happy that Khristos is the candidate."

She calls her father to the living room, where Khristos' picture hangs above the sideboard, the same picture that was shown on TV.

"Hello," father Andonis says upon entering the room. "What do you want from me?"

"To tell us about your son."

"Whatever was to be said, he said it himself the other night. Ask him."

"How do you see things now that your son has been nominated by the PASOK for the presidency?"

"How should I see them? I see nothing. I am old. You, the young ones, should see them."

From which part of Kriti do you hail?"

"From Kandano of Khandia."

"And I believe that you retired from the Gendarmery."

"Yes. As a major."

"Was your son a good student?"

"Ask his teachers."

"What did he like as a child?"

"Books."

"Did he like to play ball?"

"Heavens no! What are you talking about!"

"Was he a member of something?"

"Of course not! Khristos did not care about organizations, about parties, about anything."

"Did he care about politics?"

"Politics? No, no. Never politics. Never parties...."

We turn to his daughter. "Was he rough with you when you were young?"

"Never! We never had a fight. The only thing Khristos cared about was study and more study."

"Could you give us a picture, say, of when he was a child, when he was in the army.... Anything."

"Khristos took the album with him to Athens. Can you believe that he did not even send us a picture of my niece?"

"Mr Sartzetakis, you have a granddaughter. How old is she?"

"Just a year old."

"When did your son get married?"

"Five, six years ago."

"Kind of late, eh?"

"There were other events," his sister says.

"What events?"

"Let it go. We don't speak about these things any more."

All our reporting attempts bring no results.

"How did you find out about the nomination?"

"I was sitting right here, listening to the radio, and I heard it, and I called my daughter and we did not believe our ears."

"He had told you nothing about it?"

"We never even talked about it. It was a surprise. A big surprise."

"Did you get phone calls? Did people come to the house?"

"No, no one. Besides, we haven't gone out since yesterday. I don't even know how the neighbors feel about it."

Brother Interviewed

Athens ETHNOS in Greek 12 Mar 85 p 3

[Article by Gogo Tetou: "Everything Will Be All Right"]

[Excerpts] "Everything will be all right." This was Sartzetakis' first statement to his brother on the telephone the afternoon of Saturday, a minutes after his nomination by Prime Minister Papandreou.

Calmly, he called his brother in the co-capital to announce the news to him and also to reassure him.

A professor of mathematics in the Salonica Polytechnic School, Giannis Sartzetakis, 58, and father of a 9-year-old daughter, states to our reporter: "We are awaiting the developments of the situation. My brother can contribute a great deal to the country. I know he believes that. He is useful and I have complete confidence in him."

He adds: "We grew up in a poor family, because my father had been dismissed from his service. He was among the Gendarmery officers who participated in the 1935 coup which failed. My father was for Venizelos. He was jailed in Alexandroupoli. We could not enjoy our life as children. We had literally no toys. Then came the [German] occupation. Our father taught us honesty and self-respect."

In the university, the Sartzetakis brothers "had tremendous financial difficulties. We could not buy books. We worked in the libraries for endless hours, copying texts so that we could learn a couple of things."

Giannis continues: "My brother was not a good student because he studied, but because of his sense of duty. He combined love of learning, studiousness and an extraordinary sense of duty."

When Khristos was appointed to the Lambrakis investigation, Giannis was by his side.

"We were living in our father's house in Neapoli. We slept in the same room. Khristos was working day and night. He used to come and go every day with his briefcase in hand. Not one document from the Lambrakis case ever remained in court. After the threats started, he used to hide them under his bed.

"You had threatening phone calls?"

"Of course."

"Did he ever panic?"

"No, never. This is not his nature. He keeps his cool in difficult moments."

When Khristos returned from Paris, "he was aware of the consequences, even when he lost his job. This was a hard blow. He could not work and we had to help him. And then he was jailed in the Korydallos Prison. Our small savings were exhausted."

Giannis Sartzetakis does not hide his bitterness about the suffering of his brother.

"My brother is unyielding. His sense of responsibility reaches the point of being able to displease a friend, or even myself. The proposal that was made to him is a compensation, because he conducted a struggle for dignity...."

CSO: 3521/219

POLITICAL

GREECE

BRIEFS

RALLIS RETURNS TO POLITICAL SCENE--"If the country does not need me," Georgios Rallis had said at the time--"I shall not be a candidate in the upcoming elections." Conditions have changed so much and the situation is worsened to such an extent after recent events, that now "it would be shameful for me to be absent from the call to the great struggle that will be conducted to return our country to political normalcy," states the prime minister who supervised the unimpeachable elections of 1981. On Wednesday, when Mr Karamanlis was leaving the presidential mansion, Georgios Rallis was participating in the meeting of the ND parliamentary group. So then, he is present in the struggle which has already begun. And on the morning of Friday, those who observed him entering the Chamber of Deputies with a vivacious step, took heart. He then went directly to the office of ND leader Konstandinos Mitsotakis and had a long talk with him.... [Text] [Athens I KATHIMERINI in Greek 17-18 Mar 85 p 16]

CSO: 3521/220

POLITICAL

ICELAND

PROBLEMS, POLL LOSSES OF PEOPLE'S ALLIANCE VIEWED

Search for Leftist Allies

Reykjavik MORGUNBLADID in Icelandic 30 Jan 85 p 9

[Commentary by "Staksteinar": "Pontoon for the People's Alliance"]

[Text] Two opinion polls last January (NT and HP newspapers) measure 15 percent support for the People's Alliance (AB). For comparison it may be mentioned that the late Socialist Party received 19.5 percent voter support in 1946, almost 40 years ago. This does not indicate that the People's Alliance has "progressed and prospered," and least of all in the current government opposition, in the recent opinion polls. The People's Alliance is therefore feverishly searching for outside political pontoons. Now the party is emphasizing "leftist discussions" once again and a "new national government power" that is to be found either on the left or the right. "Staksteinar" will take a closer look at this party's "death-struggle" today.

People's Alliance SOS Letter

People's Alliance has sent the opposition parties a letter of proposaling for "leftist discussions" and a "new national government power" and haps in more camouflaged terms, for the requested rescue of the People's iance where it is now politically shipwrecked.

all the People's Alliance members are, however, in agreement with this hod. Throstur Olafsson, chairman of the People's Alliance labor council, ls that there is not much power to be had from small parties--and that the ounced "leftist discussions" are formed on ideas that are not based on listic judgement."

GUNBLADID talked with Throstur Olafsson about this matter and reported his as on a "new national government power" last Saturday:

airman of the labor council of the People's Alliance, Throstur Olafsson, d in addition to the above that he was of the opinion that unavoidable

changes had to be made in the society which mainly involved reshuffling within the industry. Therefore, the parties that carry the main responsibility for industry must join hands in revitalizing it, which requires strength. It is obvious that representatives of both the labor movement and employers should confront these problems. Therefore, it would be difficult to form a government with one of the government parties in the coalition, but he doubted that the parties which the People's Alliance wanted to have discussions with had enough national strength. When he was asked, he said that in his opinion a government coalition consisting of the Independence Party, the People's Alliance and the Social Democratic Party would be the best."

The Reaction of Svavar Gestsson and the THJODVILJINN

It is interesting to follow the reactions of the captain of the stranded ship, Svavar Gestsson, and his private secretary on the Board of Editors of THJODVILJINN to these words of Throstur Olafsson, a staff member of Dagsbrun [Reykjavik General and Transport Workers' Union] and chairman of the party's labor council.

Svavar Gestsson said in an interview with MORGUNBLADID last Sunday that there is "total unity within the People's Alliance concerning these discussions with the leftist parties about a new national government power and that there have been no opposing voices from within the party against these ideas."

The THJODVILJINN echoes these words of the chairman in an editorial yesterday: "...there are also people within the People's Alliance who feel that the most logical escape route from the abysmal economic disarray of the current government is such a cooperation (insert: i.e. with the Independence Party). It can, however, be asserted that so far these voices have been few and weak and they have not been heard within the institutions of the People's Alliance."

So be it. But is the labor council of the People's Alliance then not an institution within the party? Is its chairman who also is a kind of party link with the labor movement only a "weak voice"? To be sure, the relations of the People's Alliance with the labor movement have deteriorated day by day during the reign of Svavar Gestsson and Hjorleifur Guttormsson who preferably look toward a so-called "white collar communists" and "socialist;" but the danger here is that they will deceive the small parties which they only want so that they can put their reins on them and put them in front of their wagon.

It is most likely that here we have the regular People's Alliance vacillation. It is considered appropriate to play up to the leftist parties with "ideas that are not based on unrealistic judgement"--and keep those parties within political reach for their use. On the other hand, the chairman of the labor council is used for getting ideas in another direction, ideas about "reshuffling of industry" and cooperation of strong parties that have "social power" behing them.

Let's hear some more.

Paper Examines Internal Rifts

Reykjavik MORGUNBLADID in Icelandic 6 Feb 85 p 32

[Editorial: "Split Within the People's Alliance"]

[Text] The annual meeting of the People's Alliance labor council last weekend brought to light a rift within the party. The battle was fought there between those who want to fight the labor battle on the party line terms and the others who want to draw the lines between "professional" views and the views in the light of party politics in the work of the labor movement. The battle ended with the victory going to those who without any pretenses want to put the labor movement in front of the People's Alliance wagon.

These struggles are by no means fought without hot tempers and deep feelings as can be seen from the statements of Bjarnfridur Leosdottir, the newly elected chairman of the labor council, and Throstur Olafsson, the departing chairman of the council, as reported in MORGUNBLADID yesterday. Throstur Olafsson considers the conclusion of the meeting of the labor council yesterday to be a serious mistake that can have grave consequences. Bjarnfridur Leosdottir thinks that her victory in the election confirms the People's Alliance criticism of the labor movement leadership; the leadership has missed the boat.

It has been pointed out in MORGUNBLADID more than once that if people are interested in finding out about the policy and views in wage and labor affairs, they would be better off looking toward Asmundur Stefansson, chairman of the Icelandic Federation of Labor, than to Svavar Gestson, chairman of the People's Alliance. The outcome in the People's Alliance over the weekend shows that this view is correct. Svavar Gestsson will become Bjarnfridur Leosdottir's representative in labor affairs but will not speak in accordance with the desires of the majority of people in the management of labor unions and the Icelandic Federation of Labor. Within the People's Alliance, the election of Bjarnfridur Leosdottir is described as a victory for the party over the labor movement. Now the demand arises for the party to show some toughness and that Svavar Gestsson shows Asmundur Stefansson, Throstur Olafsson, Gudmundur J. Gudmundsson and Haraldur Steinthorsson some muscle, but all of them asked not to serve on the board under the leadership of Bjarnfridur Leosdottir. There is some reason to contemplate whether Svavar Gestson was behind the election of Bjarnfridur Leosdottir. Of those who were in charge in the labor council until last weekend, Baldur Olsarsson, former managing director of the People's Alliance, was a candidate for chairman. He is typical for the new class of white collar members in the People's Alliance. Baldur Oskarsson has been crossing party lines along with Olafur Ragnar Grimsson, chairman of the Association of Parliamentarians on World Order (?) and Einar Karl Haraldsson, current managing director of the People's Alliance. There is no doubt that Svavar Gestsson supported Baldur Oskarsson's candidacy verbally. On the other hand, the readers must decide for themselves whether Bjarnfridur Leosdottir waged war on the labor leaders on behalf of the party without the support of the party chairman. If that is right, the election in the labor council is an even greater shock for Svavar Gestsson than for Throstur Olafsson.

The People's Alliance is dissolving into micro units of some kind under the leadership of Svavar Gestsson. He seems to lack the talent to keep all reins under control. On the outside, Svavar Gestsson always behaves as if he has a united rank of fighters behind him. That is far from the truth. There are severe arguments within the People's Alliance both about people and issues. It is not too long ago that Throstur Olafsson and Svavar Gestsson argued on the pages of MORGUNBLADID about the struggle to unite to the left. By rejecting Svavar Gestsson's offer about a "new national government power," the Democratic Alliance confirmed last weekend that Throstur Olafsson was right about that issue.

There is every reason to follow closely what is happening behind the doors of the People's Alliance. The professor of political science, Olafur Ragnar Grimsson, who has played on the party machine like an Indian guru on his pipe, has chosen the role that many people who have become familiar with the poverty policy of communism have chosen, he has escaped from the country and in fact he has no other place to go in the Icelandic party system. Whether more people will choose that route, we do not know, but the rift within the People's Alliance is obvious to all.

Party Organ Editor Analyzes

Reykjavik MORGUNBLADID in Icelandic 8 Feb 85 p 9

[Commentary by 'Staksteinar': "Ideological Fermentation"]

[Text] The People's Alliance actually is aflame with internal conflict which does not project good prospects for the future, especially when taking into consideration the slump in support of the party which has been brought to light by public opinion polls. A new THJOVILJINN editor who is leading the group on its retreat, along with the party chairman, however, considers this slump an "ideological fermentation"--and feels that there is no reason to panic. "Staksteinar" will take a closer look at the editor's self appeasement in the THJODVILJINN editorial yesterday.

"Various Groups Clash"

In an editorial, the editor of THJODVILJINN, Ossur Skarphedinsson, discusses the declining popularity of the People's Alliance, as well as internal conflict which was most recently manifested in a "palace revolution" within the party's labor council.

Earlier, Gudmundur J. Gudmundsson, chairman of the Icelandic General and Transport Workers' Federation, had implied in a newspaper interview in which this "palace revolution" was mentioned, that in order to be a candidate for chairman of the council, it should be required that the candidates had lost in every election in the labor movement in recent years where "regular people are allowed to vote".

The editor says, however:

"There is a certain ideological fermentation taking place within the party... Although this fermentation might lead to a clash between various groups within the party, there is no reason at all to expect that the foundation has cracked."

Influential people within the labor movement who have been connected with the People's Alliance are very unhappy because their candidate suffered a great loss in the party's labor council elections for chairman. The private secretary of the editor-in-chief who decided to mark the route because of a "difference in nuance" the editors showed in their opinion, does not care at all about that anger, as the labor leadership is not the "foundation" of the party but the white collar group, and that has "not cracked."

"Inflammatory Activity Within the Movement..."

Ossur Skarphedinsson tries to dress the Cambodia conflict within the People's Alliance in cloaks of rhetoric. He either talks about "ideological fermentation" that will lead to "various groups clashing" or "inflammatory activity deep within the movement." If parallel tremors and constant eruptions took place in other political parties, that would be reported differently in THJODVILJINN. Attacks within the family would not be considered peaceful acts.

After elaborating on the guerilla warfare within the People's Alliance and shooting them like firecrackers up into the nocturnal sky of the Kremlin history, the editor becomes aggressive:

"When the question of invasion of foreign industry is asked, the strength of the People's Alliance is being questioned," he says and discusses most of the larger issues, although he does not mention the NATO issue and the Defense Force issue nor does he add that when they are mentioned, that is a question about the People's Alliance, "not the Women's List or the Social Democratic Party and even less the Social Democratic Alliance." The strength of the People's Alliance is also being questioned," says the editor for the party organ, "in which various groups within the party clash." Yes, then people are looking toward the party that has "inflammatory activity within."

Recently, MORGUNBLADID discussed in an editorial the rift within the People's Alliance and the shipwrecked leftist discussions about a "new national government power." It says, among other things, in the editorial:

"The People's Alliance is dissolving into micro units of sorts under the leadership of Svavar Gestsson. He seems to lack the talent to keep all reins under control. On the outside, Svavar Gestsson always behaves as if he has a united rank of fighters behind him. That is far from the truth. There are severe arguments within the People's Alliance both about people and issues. It is not too long ago that Throstur Olafsson and Svavar Gestsson argued on the pages of MORGUNBLADID about the struggle to unite to the left. By rejecting Svavar Gestsson's offer about a "new national government power," the Social Democratic Alliance confirmed last weekend that Throstur Olafsson was right about that issue."

Women's List Rejects Overtures

Reykjavik MORGUNBLADID in Icelandic 17 Feb 85 p 2

[Article: "Unity on a New National Government Power: The Women's List Rejects Discussions with the People's Alliance"]

[Text] In a letter the Women's List has formally rejected all discussions with the People's Alliance about "unity around a new national government power" as it was phrased in the request put forth by the People's Alliance. It comes forth in the Women's List letter, among other things, that there is no basis for such discussions.

Sigríður Duna Kristmundsdóttir, member of parliament for the Women's List, said in an interview with MORGUNBLADID that it was unclear from the letter from the People's Alliance what they meant by the phrase "unity around a new national government power." "This can be interpreted in two ways", said Sigríður Duna. "On the one hand, a unity around a new national government and on the other hand, a unity around a new political power. If this is a unity about a new national government, we pointed out to the People's Alliance that the elections have not taken place yet. The current term is still in effect and a new government is not being formed and therefore we see no reason to talk with the People's Alliance or other political parties at this time about the formation of a new government. If the People's Alliance is, however, talking about a new political power, then we point out that we are a new political power and we do not have any particular need for another. We point out, among other things, in our letter, that the Women's List was founded because we wanted to form and pursue our women's politics ourselves, based on the views and perspectives of women. We do not see that the platform prerequisites of any political party, neither the People's Alliance or others, have changed in such a way that it gives reason for discussion of formation of a new political power," said Sigríður Duna Kristmundsdóttir.

9583

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POLITICAL

ICELAND

SDP'S NEW CHAIRMAN HANNIBALSSON INSTRUMENTAL IN PARTY'S RISE

Helsinki HELSINGIN SANOMAT in Finnish 11 Feb 85 p 25

[Article by Marjatta Isberg: "Iceland's Social Democrats Have Improved Their Support"]

[Text] Reykjavik—Elected the new chairman of the Icelandic Social Democratic Party, Althyduflokkurinn, Jon Baldvin Hannibalsson has decided to turn the country's smallest party into the "leading force of the Left." Since he was elected, Hannibalsson has toured the country and given electrifying speeches whose slogan has been: a bit to the left of center. At the same time he has categorically rejected the People's Democratic Party's (Althydubandalag) offer of cooperation.

Beautiful Wife a Vote-Getter

Jon Baldvin's tour has aroused notice for reasons other than his political approach too. Now for the first time a politician is presenting himself to Icelanders American style. Accompanying him on the tour as assistants were promoters who had gained their experience in the field of pop music.

Hannibalsson, who is described as ambitious but fluctuating in terms of his political positions, did not go far to find a model for himself. His father, Hannibal Valdimarsson, was chairman of the Social Democratic Party during its early years, but he had to step aside because of disagreements. There have been frequent changes of leadership in the party.

Before the November congress, Jon Baldvin held a large number of propaganda sessions in which he reminded this nation of fishermen how to catch a mess of fish. The captain's job is to steer the boat to where the fish are. If he cannot do so, you have to replace him with a new man.

In the election Jon Baldvin pinned his opponent, the former chairman, to the mat with an overwhelming vote. To be sure, cynics are claiming that the election results reflect not so much the new chairman's popularity as his wife's. Jon Baldvin's wife, Bryndis Schram is namely a former Miss Iceland and a professional dancer, at the present time one of Iceland's most-loved television performers.

Social Democrats As Defendants

In Iceland the Social Democrats have always been losers. There simply has been no room for them in the political picture. The conservative Independence Party, Sjalfstaedisflokkurinn, has in its broad-mindedness gathered under its wing a large number of voters who would have been social democratic supporters in the other Nordic countries.

When the old party split in two before the 1983 elections, the parent party got only less than 12 percent of the votes cast. The postelection opinion polls showed that support for the party was still declining and the figures last summer indicated that the party had shrunk from being the sixth largest parliamentary party to a smaller one.

Support on the Rise

The new chairman's promoters, however, obviously knew their trade. A recent opinion poll shows that the Social Democrats are sharply on the rise and are now spurting past the other small parties.

The Social Democrats have clearly increased the number of their supporters at the expense of the Independence Party. During the time it has been in the government, the Independence Party has slid more and more to the Right. Many of the party's loyal supporters have been concerned because of its "Thatcherism."

The strike of civil servants and government employees in the fall, in which the party's leaders wound up in both camps, also aggravated internal disputes in the Independence Party. The strike has been described as the toughest labor struggle that has ever been waged in Iceland's public sector. Its repercussions are still being disentangled.

11,466

CSO: 3617/70

PSI, PSDI ELECTION CAMPAIGNS

Rome LA REPUBBLICA in Italian 7 Mar 85 p 7

[Article by Mino Fucillo]

[Text] How the Socialists plan to overcome voter "diffidence." The model is Bettino Craxi, squaring off against fat-and-lazy Italian officialdom: "Let us govern you!"

"Let us govern you! We're the party that does things!" That slogan buzzes in the brain and sparkles in the eye of the collective body known as the Italian Socialist Party (PSI). "Doing" everywhere and any which way, never stopping, much less letting anything stop it; a party that is pedalling furiously because it's in such a hurry -- at least as much of a hurry as all those Italians who have neither time nor energy to spend on messing with the Bureaucracy, the countless laws, the old, ingrained habits, or the old-fashioned courtesies.

When the PSI looks in its mirror, this is what it sees: a party scrubbed clean of ideology, 100 percent pragmatic, modern, and noble, decisive and ready, but not stubborn. In short, Bettino Craxi. Because it is the embodiment of Craxi, the party believes that he is the winning card in the Socialists' election campaign. Most certainly, that will be the card played on all the tables and in a lot of town squares and neighborhood piazzas.

It starts at the end of March in Viareggio. The PSI explains what a local government is, and what it does. It invests the public monies, and therefore must be canny at spending it and able to produce... Produce what? Why, development, jobs, services, of course. And it must not be a slave to the cliches of politics. Away, for one, with egalitarianism in the prices paid by those to whom the services are rendered! Away with bureaucracy! Away with fleeting fun and frivolity! Let's have more museums and fewer festivals! A local government also fosters the interests of the community, and therefore let's have direct elections of mayors and maybe of juntas as well. In addition, local government must

protect the environment and protect the consumer, and therefore the PSI takes the citizen's side against the lazy, paper-pushing government bureaucrats.

Not that the Socialist image has changed: it's the same as it was last year, the same as in 1983. In both years, though, the voters proved diffident. Too much government and too much doing, not to mention too many deals: these were the messages the PSI was getting from the ballot-boxes. To win, the PSI's propaganda will have to find ways to dissipate both those perceptions.

The Communists: Abandoned

Let's begin with government: is it true that the "hundred flowers" of free alliances at the local level, which the Socialists dreamed up, mean that the PSI will go along with anybody so long as it wins mayoral chairs and city-council seats? On Via del Corso there are stacks of carefully kept files, lists of figures, bar-charts. Leaf through them, and you find that in 5 years, from 1980 to 1985, the number of regions run by the 5-party coalition rose from nine to 11, those run by the Left with the PSI sank from seven to two, and those run by the Left without the PSI rose from zero to three. The same pattern is repeated for provinces and communes: the trend-line is clear, and highly publicized: wherever it can, the PSI is dumping its Communist allies.

The Socialists, accordingly, are turning the accusation around, listing 236 communes where the DC and PCI share government, "a trend that is clearly in the ascendant." They reproach De Mita for what they call consistency "for campaign consumption only:" "The DC governs in four regions without the PSI, as well as in 20 provincial capitals and 720 more communes." On the other hand, "The PSI today governs with the PCI in two regions, 32 provinces, 29 provincial capitals, and 519 communes. In 1980, it shared power with the PCI in seven regions, 45 provinces, 39 provincial capitals, and 540 communes. The PSI ran on a free-choice-Left-alliance platform in only one region and 15 provincial capitals." Elsewhere, quotas were forced upon it. It would be delighted to be rid of them, and makes no secret of that fact.

"And there is yet another myth to be put to rest: our percentage share of councilmen and mayors is very slightly larger than that of our candidates elected to non-governing posts." Angelo Tiraboschi, who heads Craxi's office staff, reaches into his executive briefcase and pulls out figures and arguments that should bring down the false image of the PSI as power-hungry like the tumbling walls of Jericho. He breaks off in mid-flight, explaining that he has to hurry to the Chamber for a vote: the majority hinges on one "yes" vote and one "no." Governing is hard work.

He yields the floor to Giusy La Ganga: here comes the moral question, with the PSI under suspicion of being the party of dealing rather than "doing." "Of course, there is a problem: recruiting

political staff. Half of these people come out of the administration. They have a penchant for bureaucracy, and no commitment to professionalism. It's a problem that concerns all of us."

Maybe, but a calling to government employment does not explain a propensity for delinquency. The Socialists, however, have thought about this: La Ganga switches ground, and points to the tablets of the law, in which he swiftly finds the "Socialist administrator's Guide to Behavior." Brand new. "Renewed and strengthened moral commitment...more specific identification of the Criminal Code, more precise identification of official wrong-doing." Hence: "improvements in the levels of compensation for local administrators."

Once he is better paid, the Socialist administrator must: bear ever in mind the fact that he is working for the good of the community, perform his duties in an open and democratic manner, avoid waste, and distinguish between political affiliation and technical competence. Rule number 7 is titled "Prudence in Behavior," and says: "The Socialist administrator must avoid any and all connection with controversial individuals or situations, refrain from approving fictitious needs, and avoid any suspicion of patronage."

Cooperate with the Courts

In addition, he must declare his income and "maintain a life-style consonant with it [and] a standard of living that can be justified on the basis of normal improvement in his economic position." He must cooperate with the police and the courts, except in cases of "unfounded accusations." He must respect his obligation to "vote along party lines." "In the event that the Socialist administrator be seized of communication or other legal procedure, he must immediately notify the party, which will then weigh its position."

No question about it: the Socialist officeholder is surrounded by a cloud of caveats. In an attempt to clear away some of them before the fact, the PSI bans from its slates "any official found guilty of malfeasance in office or other serious transgression upon whom the courts have taken measures to restrict his personal liberty. Also banned are officials arraigned or bound over for trial." Tiraboschi explained it for us: "This is a decision that will perhaps penalize some innocent persons as well. However, we are under fire: that PCI manifesto headlined "No Thieves" was a pretty piece of work: maybe they were thinking about Bologna."

And so the PCI holds its ground: it is neither a party in power nor a party that stoops to deals. And so the PSI comes on: "Things will go better with us, because we have a taste for deciding and for doing." They will be telling the voters so on the independent TV networks, with "aggressive pinpoint targeting." Craxi will be getting the message out in the town squares and city piazzas, in

his own free-wheeling style. "Milan teaches," they explain, anent the startling speech in which the Prime Minister suggested that some of the party's political allies consider going into another line of work, and that Parliament would do well to get off the dime. Manifestos repeated it, partly in response to "Communist aggression" and to "Christian Democrat trickery." All right, then: "Let us govern you!" In the hope that people won't get the subliminal message: "Let us govern you (any which way we can!)"

From the Social Democrats: A Campaign Full of Promises

Voting is a big deal: take it from Longo.

Who is Bettino Craxi's closest ally? No contest: the PSDI. "And sometimes even against our own interests." Counsellor Facchiano swears this is so, and he is responsible for his party's organization and hence of the imminent Social Democratic election campaign. There is one message to get across to the voters: keep this government in office. But, according to the PSDI, with a few improvements, because while it is doing well, it could do even better.

Better for retirees and for the elderly. Longo's party has not forgotten that the government can and must spend more money on them. Better for self-employed people and for merchants. If it weren't for that pig-headed Visentini, there wouldn't be a wrong-headed and cruelly oppressive budget bill.

Accordingly, Visentini and his budget will be the prime target for polemical darts in the PSDI's campaign propaganda. Facchiano explains that the party will be organizing meetings and will formulate demands and pledges: jobs in the South and all over Italy, a housing market that will offer an apartment to anybody looking for one while providing a fair return to the landlords, pensions painlessly readjusted, a technological revolution that will be trauma-free. Plus five-party rule from the Alps to Lilibeo, of possible.

If there is any party that doesn't believe in the recession, it is the PSDI. A party that will fulfill its commitment as the "go-between": that will listen to the pleas that come in from the various reaches of society and forward them to the government. Meanwhile, the PSDI will stick to its middleman position and do its best to achieve the broadest possible distribution of resources.

All this in the name of a tradition, that of Social Democracy, which, in Longo's interpretation, means "Don't ever make anybody unhappy. To the greater glory of the government in office. The PSDI appeals not so much to the "optimistic" Italian as to the "hopeful" citizen: the one who hopes that his vote will be an investment that pays off by return mail.

POLITICAL

NORWAY

PARTIES IN NONSOCIALIST COALITION GRAB NARROW LEAD IN POLL

Oslo AFTENPOSTEN in Norwegian 9 Mar 85 p 3

[Article by Egil Sundar: "Coalition Leads by Hair-Thin Margin"]

[Excerpts] For the first time since March of last year, the three governing parties--the Conservatives, the Christian Democratic Party and the Center Party--have greater aggregate support than the Labor Party and the Socialist Left Party: 44.5 percent versus 44.4 percent. This is shown by the Gallup/NOI [Norwegian Opinion Institute]/AFTENPOSTEN political barometer for February. The non-socialist bloc, with the Progress Party included, has 49.4 percent, while the socialistic challengers, together with the Liberal Party, register 48.8 percent. A good half year prior to the election, the two political camps continue to be separated by hair-thin margins.

The Labor Party continues the retreat of the past months and according to Gallup/NOI, has support from 39.4 percent during February, contrasted with 40.3 percent in January. The sinking trend for the Labor Party has been seen in the measurements by most institutes. According to Norwegian Market Data's barometer for January, the Labor Party had fallen all the way to 38.1 percent.

Conservatives Advance

For the Conservatives--the largest of the governing parties--the trend is the opposite: Willoch's, Norvik's and Benkow's party is strengthening its position and has support from 30.8 in February, contrasted with 30.6 the previous month. The Conservatives placement above the 30-percent line is confirmed by all four of the public opinion institutes.

As AFTENPOSTEN previously had projected, there is reason to believe that the Conservatives gradually will advance further as election day approaches and the political alternatives become yet more clearly marked. In a clearly delineated election such as the one upcoming, the Conservatives, as the foremost exponent of a consistent and integrated nonsocialist policy, will have the greatest opportunities for gathering voter support.

Worry

The Conservative's coalition partners, the Christian Democratic Party and the Center Party, both lie approximately one percentage point below the election results of 1981. The Center Party, which in the last parliamentary election had support from 6.6 percent, has been down in the five-percent range consistently since May of last year, according to Gallup/NOI, while the other public opinion institutes have had separate measurements around 5 percent. This development undoubtedly causes concern not only for the Center Party itself, but to a great degree as concerns cooperative efforts as well. If Jakobsen's party suffers a significant set-back in the election, it will in all probability have consequences in the form of increasing cooperation problems within the coalition.

The Christian Democratic Party, which during the course of last summer was down around the 7-percent mark, since September has had a stabile support above the 8-percent level. The February measurement of 8.2 percent was the lowest since August of last year. Viewed from the perspective of cooperation, it is obviously of significance that the two middle parties not loose further ground.

Progress Party Looses

Among the nonsocialist parties, it is the Progress Party which has the most marked change in the February poll, with a loss from 6.2 percent to 4.9 percent. Such changes are absolutely not unusual for Carl I. Hagen's party, which from experience, has a group of voter supporters who are not known for stability or foresightedness in political situations. This makes it particularly difficult to predict the election prospects for the Progress Party.

For voters who react particularly impulsively and allow momentary impulses to be decisive for the choice of a party, the Progress Party probably will be able to present itself as an acceptable alternative. It also appears that the underlying foundation of voter support for the party has a significant span--from the extreme right to way out on the left flank. It was in this manner, for example, that Mogens Glistrup managed in a surprising manner to become Denmark's largest worker party 10 years ago. There are none who believe that Carl I. Hagen will be able to copy the Danish example, but it is undeniably thought-provoking.

What About Labor Party?

On the socialistic side of the political dividing line, it is still the Labor Party's relatively weak support which is noteworthy. From what has been found to date, the persistent black picture of the day's realities has not worked to the party's advantage. A question which everyone is asking--and this applies particularly to the election strategists on Youngstorvet [Labor Party headquarters]--is what must happen in order for the Labor Party to be able to win new voters. Given the strategy which the Labor Party leadership has chosen and clearly pursued continually, it is understandable that many continue to be perplexed.

The Labor Party's two support parties, the Social Left Party and the Liberals, both registered positive swings in the February poll. But this was not sufficient to change the relative strengths between the blocs.

Question: If you were to vote tomorrow in the parliamentary election, for which party would you vote?

	1981 Parlia- mentary election %	1985 Jan %	1985 Feb %
A [Labor]	37.1	40.3	39.4
DLF [New Liberal]	0.6	0.0	0.8
FP [Progress]	4.5	6.2	4.9
H [Conservative]	31.8	30.6	30.8
KrF [Christian Democratic]	9.3	8.6	8.2
NKP [Norwegian Communist]	0.3	0.0	0.1
RV [Radical Liberal]	0.7	1.0	0.8
S [Center]	6.6	5.2	5.5
SV [Socialist Left]	5.0	4.7	5.0
V [Liberal]	3.9	3.4	4.4
Others	0.2	0.1	0.1
Total:	100.1	100.1	100.0
A + SV	42.1	45.0	44.4
H + KrF + S	47.7	44.4	44.5
A + SV + V	46.0	48.4	48.8
H + KrF + S + FP	52.2	50.6	49.4

The figures show how many would vote in a possible parliamentary election tomorrow among those who definitely would vote. People also were asked which party they voted for in the 1981 parliamentary election. The differences between the individual party's support according to this inquiry and the actual election results in 1981 have been used as weighting factors.

The results are based on interviews with 932 people over the age of 18.

The interviews were conducted during the period 10-25 February 1985.

12578

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POLITICAL

NORWAY

LABOR PARTY YOUTH CONGRESS: NATO MUST CHANGE NUCLEAR STRATEGY

Departing Chairman Gives Views

Oslo AFTENPOSTEN in Norwegian 23 Feb 85 p 22

[Article by Thorleif Andreassen]

[Excerpts] At the AUF (Labor Party Youth Organization) national congress the proposal to nationalize the banking industry met with strong objections.

Even though the national congress is divided over some issues, there is broad agreement among the 300 delegates regarding, among other things, the following claims: the government's policy in almost all areas is bad, the Labor Party's policy will include an offensive against unemployment.

Head-on Confrontation with NATO

"A Labor Party government must fight against NATO," demanded AUF leader Egil Knudsen. He disagreed with the idea that Norway should declare herself free of nuclear weapons in all situations unilaterally through an Act of Parliament. However, Knudsen made it clear that even if NATO should not agree to the steps taken, a Labor Party government must proceed with its work towards a nuclear-free zone in the North. He thought there was every reason to believe that much of the work for such a zone must be done in a head-on confrontation with NATO.

We asked the AUF leader what the priority would be if it came to a choice between the zone or NATO membership.

"I do not believe that such a situation will occur. Today, there are countries in the alliance which have more special situations than the absence of nuclear weapons. I am sure that the alliance will see the advantages of having Norway as a member in any case," Knudsen replied not wanting to speculate on what he characterizes as a hypothetical situation.

Incoming Chairman Against NATO-Membership

Oslo AFTENPOSTEN in Norwegian 23 Feb 85 p 3

[Text] Tomorrow, Jens Stoltenberg will become the new AUF leader: Charming, intelligent, with quick answers. Outgoing, but not cocky. In contrast to his father, former Defense Minister Thorvald Stoltenberg, the 25-year-old student wants Norway to withdraw from NATO.

He now would like to influence the parent party towards pursuing a more active distribution and equalization policy.

"AUF hopes to achieve a breakthrough in this matter at the Labor Party's national congress in March," says Stoltenberg.

The incoming AUF leader does not have much spare time. But he gets in a little jogging nevertheless during his final stretch in the last part of his studies in social economics.

The dark-haired bundle of energy has been AUF deputy chairman for two years, leader of the international committee of the Youth Party for four years, and a member of the central governing body since 1979. But besides politics and studies, he also finds time for other things such as: evening duty as a journalist with the newspaper ARBEIDERBLADET and instruction of students enrolled in basic courses at the University at Blindern. Stoltenberg wrote his thesis on oil revenues and uncertainty.

Like his predecessor Egil Knudsen, Jens Stoltenberg is a likeable fellow. It looks as if the young socialist from Oslo's best west side will have a bright career in the parent party.

"I do not try to hide where I grew up. Because there is no reason for this. The fact that I come from the city's west side does not mean that I am isolated due to my background."

Nor does he conceal that his family background contributed to his entry into AUF.

"This is obvious. But I am interested in people judging me by what I do and say. Not by the fact that I am Thorvald's son."

"You are not a strong supporter of NATO".

"No, that is correct. It is the goal of AUF to break down the blocks and withdraw Norway from the alliance. However, we recognize at the same time that Norway will probably remain a NATO member for the next few years. Therefore, we will also make demands as to how Norway shall act as a member of the alliance. We must fight for a nuclear-free zone and a freeze on nuclear weapon arsenals."

"Is there a particular foreign policy which interests the incoming AUF leader?"

"No, I am interested in the whole spectrum of political issues. The main concerns of AUF are also my main concerns, i.e. the fight against youth unemployment and the work for less expensive and more housing units."

We got Stoltenberg out from the hectic national congress hall and found a quiet corner. O well, quiet. hey there Jens, hallo, hallo...lively greetings and friendly faces indicate that he is an immensely popular fellow in the youth organization.

Resolution Supports 'Zone'

Oslo AFTENPOSTEN in Norwegian 25 Feb 85 p 3

[Excerpts] On Sunday Jens Stoltenberg was elected the new chairman of the Labor Party's Youth Organization to succeed Egil Knudsen. The election was unanimous with no opposing candidate. By a large majority, the national congress rejected a proposal by the Troms AUF that Norway unilaterally declare herself a nuclear-free zone.

In a resolution on security policy AUF demands that the government disassociate itself from plans for further military armament in space.

Troms Initiative Rejected

Troms AUF had submitted a proposal that Norway should declare herself free of nuclear weapons unilaterally without first having negotiated guarantees from the nuclear powers that such a declaration would be respected. The proposal was rejected with 222 to 68 votes.

A Scandinavian nuclear-free zone must be guaranteed by the nuclear powers, the national congress felt. The guarantees must be supported by a thinning out and removal of nuclear weapons in the areas surrounding the zone. Besides, AUF says that of necessity the Scandinavian countries must proceed and establish a nuclear-free zone without taking into consideration the disarmament negotiations. They demand that the Parliament make a statement of intent that Norway would be part of such a zone. The national congress demands that NATO change its nuclear strategy.

Conservative Chairman Condemns Resolution

Oslo AFTENPOSTEN in Norwegian 25 Feb 85 p 3

[Text] Discouraging, to say the least, that the AUF leadership does not use once the word cooperation with regard to the peacekeeping work in which Norway actively participates within the framework of the NATO defense alliance," says Conservative Party chairman Erling Norvik in a comment to AFTENPOSTEN. "Fight against " and "fight within" is the Young Socialists' formula for our position towards NATO.

Norvik points out that disagreement on many issues does exist within AUF, but clearly this does not apply to the goal to get Norway out of NATO.

According to the new leader, they "realize", however, that "Norway will probably remain a NATO member for the next few years." Therefore, for the time being the strategy must be for a Labor Party government "to fight against NATO," the departing leader was able to maintain. In Einar Forde's spirit and wording and under tremendous applause he said that there was every reason to believe that nuclear-free zones must be fought through in a head-on confrontation with NATO.

The conclusion was that regardless of what NATO might think the Labor Party must stick to its position.

We Exclude Ourselves

"It is, to say the least, discouraging that the AUF leadership does not use once the word cooperation with regard to the peacekeeping work in which we actively participate within the framework of the NATO defense alliance. "Fight within" and "fight against" is also the Young Socialists' formula for Norway's position towards NATO. Unity and the mutual commitments which are the prerequisite for NATO's strength are completely disregarded.

"If the AUF position--which unfortunately receives considerable fuel from the Labor Party's deputy chairman--becomes Norway's position, we will actively contribute to reducing Norway's options as they are pursued now in the work for a peacekeeping balance of power and controlled disarmament. Indeed, in reality we would have placed ourselves outside the peacekeeping work, while it is more important than ever to participate in it," stresses Norvik.

More Government Power

More government power at home and less peacekeeping work through NATO is the actual conclusion drawn at the AUF national congress. Can one imagine anything less future-oriented from a youth organization?

12831

CSO: 5200/2503

POLITICAL

PORTUGAL

PRESIDENTIAL ELECTIONS: TALK OF VARIOUS CANDIDATES

PSD Official for Firmino Miguel

Lisbon TEMPO in Portuguese 1 Mar 85 p 8

[Interview with Jose Vitorino by Anibal Mendonca; date and location not specified]

[Text] "When I say that I think Gen Firmino Miguel would make a good candidate and a good president if he were to affirm his adherence to changes, rather than commenting on the competent, respected general, I am referring to the citizen Firmino Miguel, in whom I recognize superior qualities." This statement was made to TEMPO by Jose Vitorino, chairman of the PSD [Social Democratic Party] Faro District Commission. In the interview that he granted to TEMPO, Jose Vitorino added: "I have always thought that the fact of wearing a uniform or not wearing a uniform does not of itself qualify anyone to be president of the republic"; and he stressed: "As I have said, and I repeat, there are good and bad civilians, and good and bad military."

TEMPO: What guarantees for change must Gen Firmino Miguel give to be supported by PSD?

Jose Vitorino: I would tell him, first of all, that the guarantees which PSD demands are the same whoever the candidate may be; and they are aimed in the direction which we have always stated, and now most Portuguese admit that they are essential. There is a need to make deepseated changes in the structures of Portuguese society, inasmuch as, in the present constitutional and legal context, the country's recovery is virtually impossible, as the Portuguese people's increasing difficulties have confirmed.

TEMPO: Does this mean that you have doubts that the current government solution can solve the country's problems?

Jose Vitorino: What I am saying is that, without radical changes and a policy marked by great veracity, courage and escape from constant electoralism, we shall always be discussing petty issues which will tend to be depicted as essential, solving nothing and causing frustration to the citizens. In my view, as well as in the view of most of the PSD members and voters, the problem is that the present coalition has always shown serious reservations and lack

of confidence, precisely because of the internal conviction that, in essence, little or nothing would change. And, unfortunately, this has been confirmed, and the action has been typified by the current management. And this is why, at the congress in Montechoro (shortly before the elections), the party came out against that coalition. Of course, we have collaborated in finding solutions but skepticism has always been common among several PSD leaders, specifically those who at first had reservations about the agreement and at Braga proposed a thorough negotiation of the agreement with PS [Socialist Party].

TEMPO: Let's return to the first question. What changes?

Jose Vitorino: In brief, I would say that it is essential to create political conditions that will afford greater unity and consistency of action between the president of the republic and the government, putting an end to this depressing spectacle wherein, with the country in a state of crisis, the government and the president of the republic are going about "at odds," as if the country and the Portuguese people were living in the best of worlds. This could be achieved by means of constitutional changes or through a great consistency of political goals between the two organs of sovereignty. And this would result in greater cohesion and confidence for the citizens, which could serve as the starting point for amending the economic part of the Constitution, putting an end, for once and for all, to the excessive, anachronistic influence of the state; ending the state's monopoly over the news media; reconsidering the electoral law; progressing with regionalization; gearing the legislation as a whole to Europe, which we are going to enter; and giving absolute priority to preparing the country for the onslaught of joining the EEC. In this way, all the people would be put to work, both business owners and workers on behalf of one another, and the youth would be given a future.

This is what PSD has always upheld and still upholds, to extricate the country from backwardness. But, concretely, the PR [president of the republic] to be elected must be a politically active agent (not passive and suspenseful) with respect to the commitments assumed toward the electorate and ratified by the latter. Naturally, it will be with the candidate whom PSD backs, as well as with other backing, that the definition of this plan will be made concretely, as part of this great framework that has been cited, which the internal referendum that PSD intends to hold will certainly confirm.

Capable Or Not

TEMPO: Why support a military candidate? Don't you consider it dangerous for democracy?

Jose Vitorino: The issue cannot be posed in that way. The question is not finding out whether the candidate is military or civilian; but rather finding out whether or not the candidate is capable; finding out whether or not he is integrated into a plan for changes; finding out whether he is democratic and faithful to the true spirit of 25 April or not; finding out whether he has real chances of winning or not. These are the real questions; When I claim that

I consider Gen Firmino Miguel a "good candidate and a good president," if he were to affirm his adherence to changes, rather than commenting on the competent, respected general, I am referring to the citizen Firmino Miguel, in whom I recognize superior qualities. I have always thought that the fact of wearing a uniform or not wearing a uniform does not of itself qualify anyone to be president of the republic. As I have said, and I repeat, there are good and bad civilians, and good and bad military.

Hence, I regard as abusive and intolerable what has been claimed, without grounds, to diminish the military as a whole and to exclude them from the presidential race.

As for its being dangerous to democracy, I think that it is absurd to make that statement. There have been and there are military with a revolutionary and totalitarian spirit, just as there are civilians with the very same option. But there are also democratic military who, since 25 April have seen to it that the revolutionaries have not attained their ends; and Gen Firmino is in the front line of what 25 November is a marked exponent of.

Therefore, I think that, in this respect, it might perhaps be possible to say that he is a good guarantee for real democrats.

But I repeat that my option is essentially for citizen Firmino Miguel.

Moreover, I am not confusing a candidate of military origin with a reinforcement of military power in the context of the democratic institutions in which the power legitimately established by voting cannot and must not have conditions imposed on it. And this has now been preserved.

TEMPO: How do you react to certain insinuations that Gen Firmino Miguel may be an "Eanist"?

Jose Vitorino: There is obviously a campaign among certain sectors attempting to discredit him. However, I don't think that it has any grounds, and I don't think that his lofty moral stature will tolerate such insinuations. I am not concerned personally, because what is essential is the integration of the candidate whom we shall back into a clearcut plan for change.

Because this would be the opposite of "Eanism," which has always been typified by lack of a position and the absence of a clearcut plan for society which it has never submitted to the Portuguese people.

TEMPO: The Algarve PSD of which you are head upheld the candidacy of Mota Amaral for Braga. Isn't your present position inconsistent, or else an admission that this strategy was not correct?

Jose Vitorino: Neither the one nor the other. But before I explain why, let me tell you that, as a member of PSD, I think that it would be good for the country to have a Social Democratic PR, and I myself would, naturally, want it; and that should be a goal for which I shall always continue to strive.

And we have individuals of acknowledged ability for performing those functions. However, what one wants and what would be ideal is one thing, and what it is possible to have is something else. And it would do no good for the members to respond in the referendum that they want a PSD member as a candidate and, later, for the candidate not to even reach a run-off election, or not to have any chances of winning. In life as in politics, illusions are one of the worst enemies. I still think that the presidential strategy proposed by Faro for Braga was in fact the best one. So why have we changed our position? For one simple reason. As has been said, going ahead with a candidacy at that point means that, starting then, PSD would make a substantial change in its position toward the coalition, demanding and procuring deepseated changes which would result in improvements for the Portuguese people, that have not been recognized by the Portuguese people. Hence, PSD and its candidate would embark upon imbalanced dynamics, which would put us clearly in a very advantageous position. Now, what happened was that, after Braga, nearly everything remained the same, with PSD's inherent collusion in the existence of the coalition. Thus, we lack the political and moral authority to depict ourselves to the electorate as the driving forces of the changes (because nothing substantial has yet been done); and of course it does not suffice for our candidate to say what he is going to do. The electorate would then ask: If PSD has not done this up until now, how will it do so in the future, confined to its partisan walls?

Hence, it has become essential to escape from this situation, either through the person of an independent candidate or through backing that it could mobilize outside the party. I would add that I have upheld this position since 10 November, through the motion passed in the Faro District Assembly.

TEMPO: Do you think that Gen Firmino Miguel should be backed by other parties and individuals?

Jose Vitorino: Well, that is an essential question. You should realize that, if PSD submits a militant candidate, we shall have, in addition to the candidate of the former CNARPE [National Commission to Back President Eanes' Reelection] and Mario Soares, a CDS [Social Democratic Center Party] candidate as well. And in this situation, proceeding to a run-off election or to victory is almost unlikely. We would have little or no political, economic or social backing, except for that of PSD itself.

With a non-militant candidacy, of an independent, supraparty type, such as that of Firmino Miguel, it will be easier to gather support from various political, economic and social forces, and from independent individuals, including the Social Democratic, liberal and conservative electorate, and a substantial portion of the Social Democrats who voted for PS in previous elections.

As for how his candidacy will appear, if there is that availability on his part (an availability that I think might depend greatly on the way in which the country demands it), that will be a question to be dealt with at the proper time.

No One Has Managed to Show How a PSD Candidate Can Win

TEMPO: Doesn't the theory that you uphold now, as do other PSD politicians, mean agreeing with the positions of Mota Pinto's backers, and to some extent accepting his views again?

Jose Vitorino: In this matter as in others, we had very clearcut positions of our own at Algarve. For example, in November, we upheld a clearcut refusal for the candidacy of Dr Mario Soares, and a clearcut refusal for the candidacy of a PSD member, because it could represent party suicide, with our candidate being a mere stalking horse, paving the way for Soarism or Eanism; something that is unacceptable to us.

Running a PSD militant candidate might mean, in the long run, our failing to strive for victory, handing it on a tray to Dr Mario Soares or to the former CNARPE candidate. And it was this that the majority of members have already perceived and therefore, in the referendum, they will opt for the "non-militant candidate." We would still have the compensation of attaining slightly over 20 percent of the vote and affirming PSD; but it is small compensation, and it could prove to be a disaster for us and for the country, with the election of other candidates in view.

What no one has yet managed to show in a serious way, with grounds, is how a PSD militant candidate can win.

Moreover, for months the name of Gen Firmino Miguel has appeared to us as the one most advisable.

As for the question of a possible acceptance again of the views of others, or about "trailing behind," often everything that appears to be so is not; and hence, as for finding out which individuals or groups in PSD were the first to equate and actually develop the Firmino Miguel hypothesis in a serious and solid manner, history will have to explain the truth. But it is an argument that is not worth triggering; therefore it does not befit anyone to embark on that area. The first person to publicly mention a military candidacy was Dr Pinto Balsemao, many months ago. It should be added, also, that, with regard to the presidential elections, there have been many doubts, which time will illucidate.

But in general, it matters little to me who supports or does not support the one in whom I believe; and it is not because of the fact that individuals with whom I have disagreed up until now in this as in other aspects of the party strategy are now on my side, that I shall change my position. That would be a myopic or "hiding" policy which I do not subscribe to or practice; because my presidential option is geared primarily toward the country's interests. What I want is for the largest possible number of militants and honorable, serious citizens to mobilize for this hypothesis for national salvation at a tragic time in our historical existence.

New Names: Reserve Generals

Lisbon SEMANARIO in Portuguese 23 Feb 85 p 9

[Excerpts] Despite the barrier of silence that separates the leaders of the former CNARPE from national public opinion, a high-ranking member of the movement told us confidentially that the names of the reserve generals, Altino Magalhaes and Galvao de Figueiredo, are the two leading Eanist trumps in the race for Belem, in the event that the "most likely" proposition of a military candidacy should succeed internally. However, this view remains "on the back burner."

Presidential Candidate: Neither Pintasilgo Nor Firmino

The Eanists' impatience has grown in an inverse ratio to the time that must pass until the presidential elections and, particularly, the (internal) deadline for selecting a candidate for the Belem tenancy.

This impatience is all the more obvious from the fact that the overwhelming majority of Eanes' followers feel that this choice has eluded them, depending almost completely on a small circle of individuals gravitating around the general from Alcains.

The Pintasilgo and Firmino Miguel hypotheses seem to be "definitely precluded, unless something bad happens to us," we were told by a well-placed source in the former CNARPE, who nevertheless admits that there are many activists in the movement who would favor the selection of one or the other.

Pintasilgo, "no, because it would limit the candidacy to a narrow gamut of leftist backing, an image which the party does not want and cannot give"; and Firmino Miguel, "no also, because the general's name seems overly associated with the feelings of Mota Pinto, now defeated in PSD. Our candidate will start from PSD, but will not be from there...."

A civilian or military candidate? As for the first hypothesis, a leader of the former CNARPE (whose request for anonymity we are respecting) admitted to us that "the existence of too many hypotheses involving civilians (Nobre da Costa, Adelino da Palma Carlos, Henrique de Barros, Ferrer Correia and Salgado Zenha) is creating some difficulties in choosing."

With regard to the second hypothesis, "despite some obstacles," which were not specified, a source from the movement close to Eanes told us confidentially that "it will be the most likely" to win and the one which "could inspire the most confidence" in the one who is still president of the republic.

However, this hypothesis would require "the preservation of certain presumptions," namely: The selection made of a prestigious member of the military, but "preferably" a reservist, and older than Eanes (the latter is 50): "A party such as this cannot have two roosters (military) for just one roost."

Generals Altino de Magalhaes and Galvao de Figueiredo, both former ministers of the republic for the Azores and with reserve status, meet all the conditions for fulfilling the requirements of the outgoing tenant of Belem and do not create any internal problems for the movement, as another source told us confidentially.

Costa Bras Serves Mario Soares

The hypotheses brought up on several occasions concerning the Eanist choice exclude Antonio Spinola; Garcia dos Santos (formerly CEME [Army Chief of Staff]) or even Costa Bras (High Authority) also appear to be precluded: the first, in view of his advanced age, and the second in view of a family situation which makes the candidacy impossible; and the third, because it is thought that his activity in charge of the High Authority Against Corruption "has not followed clearcut criteria and has not benefited the ethics of the system."

According to our sources, the fact that Costa Bras has in his possession countless proceedings indicating corruption and has not assumed the directness of exposing them or even taking action "is a sign that he is satisfied with the general atmosphere of distrust that exists in the country, and that he is bound to the position for maintaining the system; he is just serving Mario Soares."

Be that as it may, our sources assure us that Eanes' option for a candidate to succeed him in the presidency of the republic "will not be made so early, keeping "the more pleasing and better placed hypotheses" on the "back burner," and not even risking the launching of "Trojan horses" ("we have had enough with Pintasilgo"); a factor which "could jeopardize the effectiveness of the serious candidacy, and would give the impression that the president has agreed to join in the game inspired over a year ago by the government parties."

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CSO: 3542/131

POLITICAL

PORTUGAL

PRD: NEW PARTY ON POLITICAL SCENE

Formalities of Establishment

Lisbon 0 JORNAL in Portuguese 1 Mar 85 p 12

[Test] The position of the president of the Democratic Renewal Party [PRD], a new political force emerging from among Eanes' supporters, may be filled, only symbolically, by an individual with great prestige at the National Constituent Convention which will most likely take place during May, as 0 JORNAL learned from a source associated with the nascent Democratic Renewal Party. If this decision is confirmed, it will have an obvious significance: The president's chair will always be ready to receive Antonio dos Santos Ramalho Eanes.

The new political force which emerged last Sunday in Troia, after a slow negotiation of 4 years, without the "pre-historic" vestiges left during the first term of the current president of the republic, headed toward a new phase of development provided with two basic documents and a political leadership.

The leadership decided on at Troia has been legitimized by a process involving the rank and file and the district structures of the former CNARPE, that is, the National Commission to Back President Eanes' Reelection, formed for the 1980 presidential elections. The name CNARP, standing for National Convergence for a Renewing Alternative in Portugal, was intended to be temporary, disappearing as soon as it was no longer considered necessary to better identify the new political group.

In the informal remarks and comments made during the course of the Troia meeting, Eanes' name was mentioned several times, occasionally in an emotional and sentimental manner.

"We are shaming President Eanes' name," we were told by one of the delegates, referring to the poor progress of the work at one point in the meeting.

The necessity for "distinguishing between the president of the republic and the citizen Ramalho Eanes" was one of the concerns expressed by some participants in the meeting. In fact, the orbits in which the party and the president move are different, and the time of the stellar unification has not yet arrived. A source close to PRD stressed to us the importance of creating a political leadership for making a clearcut definition on this and other issues, thereby avoiding the problem of inconsistent statements.

Haste

Herminio Martinho, an agricultural businessman from Santarem with a physical resemblance to Gen Ramalho Eanes, was elected chairman of the party's Provisional Steering Commission.

Herminio Martinho and Jose Carlos de Vasconcelos form a pair that enjoys increasing moral authority in the movement of the former CNARPE. Without them the Troia meeting would certainly have foundered. They are the ones who are attempting to channel the anxiety, dissatisfaction and haste shown by the rank and file at Troia, in terms of useful action.

The backers of CNARPE consist of a very active, participating, middle class, who therefore like to see palpable results from their endeavor. Thus far, the new party has been a somewhat blurred, immaterial entity, although stemming from a very strong, affectionate, ethical and political sentiment toward one person. But the supporters of the movement want more: they want to have headquarters, cards, insignia and a flag, an activity. Furthermore, they are starting to tire of the barrage of firing ("what is the ideology? what do you represent?") launched by political circles opposed to the new party.

"This will have to progress more quickly," we were told by a former "Cnarpist," who rendered military service with Eanes in Guinea and Angola.

Medeiros Ferreira, Joao Botelha and Miguel Caetano

Those in charge have attempted to curb the haste, preferring quality to quantity, and being particularly cautious with regard to opportunism.

"There was the impression that some were already engaged in the positions," commented one participant in the meeting.

But the "haste" now has a timetable. Based on a decision emerging from Troia, the National Provisional Commission will be enlarged "to three members per district, autonomous regions and emigration, for the present retaining those who already comprise it, and with each district selecting two more members."

This National Commission, in turn, will elect the Steering Commission, with about 10 members (in the future, based on the bylaws, there will be 11 members), which could co-opt some individuals outside the National Commission itself. Among those individuals the names of Medeiros Ferreira, Joao Botequilha [sic] and Miguel Caetano are considered quite likely choices.

None of these persons were in Troia, not even as a guest. However, when queried by O JORNAL, Medeiros Ferreira told us that he was absolutely unaware of the existence of any intention in the aforementioned direction.

Also conspicuous among the absentees were engineer Luis Marques do Carmo, of the Provisional Secretariat, who was in Luanda for professional reasons, and Maj

Bernardo de Lencastre, of the Presidency of the Republic, who had attended previous meetings and was not present at Troia, but, according to certain delegates, only for reasons of a private nature.

All the efforts of the Steering Commission and the other PRD structures will converge during the next few weeks in preparation for the National Constituent Convention which, "except in the event of force majeure," is due to take place by 23 May of this year.

Some observers see in this deadline the possibility of playing with the date of the PSD [Social Democratic Party] congress, set for 11 and 12 May.

'Security Lock'

Moreover, in the terms of the motion passed at nearly the end of the Troia meeting, the new political force defined as its "first priority" the establishment of the movement, specifically, with regard to its legalization as a party.

A commission to collect signatures has already been formed and the party's legalization should take place right after the PRD National Constituent Convention. The aforementioned motion also notes, for the establishment of minimal operating standards, "organizing the formalization of registrations in the party, setting the minimal admission fee and monthly dues (which may be spent to pay for those whose economic situation does not allow them to pay), and the admission of future members, which must temporarily have approval from the district structure also."

Meanwhile, cases such as that of Alfredo Mourao and Alexandre Morgado may have caused PRD, immediately after its creation, to establish a "security lock," for the purpose of preventing the entry of undesirables.

For example, before leaving Troia, the delegates to the meeting of the former CNARPE decided "that individuals who, because of their ethically improper behavior, lack the desirable profile, are not to be admitted as members of the party; which immediately excludes those who, claiming to belong to the movement, have no association with it, and are even the image that it unequivocally repudiates."

This latter remark is a reference to the retort which Alfredo Mourao gave to the respective district commission in Porto. However, this case had virtually no repercussions on the Troia assembly. On the other hand, the "Morgado case" (see text of Lurdes Feio) created a certain amount of uneasiness, and may not yet be closed.

A former Socialist member, "by now hardened to these things," told us, after Alexandre Morgado, delegate from Almada, left the meeting, that he had seen Carmelinda Pereira and Lopes Cardoso being forced out of PS [Socialist Party].

Innovations

Both the statement of principles and the bylaw materials approved at Troia call for some major innovations in connection with the party's current practice, which the PRD officials cite as "differences" of great scope.

For example, the secret vote was stipulated not only for elections to the party's leadership organs, but also for other important matters. The principle of freedom of conscience and of speech for the members was established "in all offices, activities and circumstances." As a result of this principle, the deputies have freedom of voting, except in the voting on the program of a government backed by the party. In the case of a motion of confidence or censure, and final votes on the major options of the state plan and budget, the voting freedom is contingent on an express instruction from the Steering Commission, combined with the approval of that instruction by two thirds of the members of the congressional group. Furthermore, it is specified that the PRD local officials and deputies will be agents of those who elected them, and not representatives of the party.

In addition to members, the party will also have the category of "backers." This category does not have the right to vote, but persons with that status may belong to the Central Consultative Commission, a kind of "senate" for advising the PRD leadership.

Only the basic principles of the bylaws were approved at the special session. The others are to be voted on by the National Provisional Commission, in accordance with the proposals for change made in time.

At the conference table, there appeared an alternative proposal for bylaws which was not considered, for lack of authorship. This "pirate" proposal evoked some perplexity among the participants in the meeting.

A proposal which is not considered in any of the party documents, but which could be debated and voted on at a congress, related to a rather substantial reduction in the number of deputies, which is currently 250.

The bylaws also call for the establishment of a minimal quota of party members to elect representatives, and the participation of at least three emigrants on all levels of the party's organs.

The statement of principles upholds the expansion of the presidential powers. A proposal to retain the present powers received only seven votes. The statement of principles also maintains that the members of the Constitutional Court will not originate only from the election by the Assembly of the Republic. In connection with the news media, the following principles are established: approval for private TV and radio, provided there is assurance of their independence from the economic authorities and pluralism in the same terms for state TV and radio, effective regionalization of RDP [Portuguese Radio Broadcasting System], diversification of the work of the state news agency, taking

account of the cultural sector, the Portuguese-speaking countries, emigration and backing to the private and regional press, based on criteria of journalistic quality.

Meanwhile, graphic artists will be invited to submit bids on insignia. The logistical issues are absorbing many activists. Just now, there are prospects of opening a headquarters in Lisbon, in premises on Misericordia Street, near Camoes, where the Salazarist-Monarchist newspaper, A VOZ, operated.

The issue of the presidential, legislative and local elections is merely the "trimmings."

At Troia, it was not planned to discuss the presidential elections and, in fact, from what this professional could learn, that topic was excluded from the debates. Moreover, Jose Carlos de Vasconcelos, at the final press conference, stressed the importance of the legislative elections: "It was in the legislative elections that an alternative model was contracted."

National Role Envisioned

Lisbon TEMPO in Portuguese 1 Mar 85 p 14

[Text] The ambiguity began in the name: Democratic Renewal Party (PRD): an ambiguity enthusiastically accepted, one might say, in Troia, when an agricultural technical engineer from Santarem named Herminio Martinho made the announcement of the choice in mid-afternoon last Sunday, after consideration and more consideration by nearly 300 congress members and a similar number of observers. Inspired by the former CNARPE, PRD appears to us as the image of what its patron (Gen Ramalho Eanes) might become; while Herminio Martinho, with an effort (as has been disclosed) over a period of months, has been building, with one stone after another, the scenario that would be conducive, from a formal standpoint, to receiving the "loved one."

In terms of a political-partisan position, what is PRD? With regard to the party, we know only that, thus far, "it has been striving on behalf of the executive body," which is not insignificant, although expected, and that the presidency of the republic, because there are conditions imposed on the president's powers, has not mattered to it recently. At the beginning of the week, PRD began proceeding toward its formalization, with the collection of signatures, so that it might show up on 5 March in Tomar, ready, red and green, possibly with a carnation in its hand or lapel, to contest with the other parties for the voters' favors.

Threatened more closely, CDS [Social Democratic Center Party], PSD, PS, MDP/CDE [Portuguese Democratic Movement/Democratic Electoral Commission], UEDS [Leftist Union for Socialist Democracy], PCP [Portuguese Communist Party] and UDP [Popular Democratic Union], nearly all of them, of course will not approve of PRD. Based on the announcement now made public, "It could be the path toward forgetting internal splits in the present parties, resulting in the frequent appeals for unity, or else the occurrence of divisions which had been desired for a long time," as we were told by some members of other groups.

From now until the public presentation in Tomar, Herminio Martinho will be the chairman of the national commission and will have to show his face, although it is known who the individuals closely following all the action taken to materialize the party and those responsible for theorizing it are, "in the dark" which can hardly be dispelled, in view of what has happened, for example, to Maria de Lurdes Pintasilgo and to the groups from Porto. We were told by a PS leader: "PRD would fare badly if, even before being a party, it already started having splits."

The insights, at least those expressed by Herminio Martinho, are good, when he says: "Our spirit must be the same: to serve the country, to serve the region, and not to serve oneself." But today, 11 years since "25 April," this is insignificant, and would not prompt anyone to join as a follower. Those in the parties have the examples of the "ASDI" [Independent Social Democratic Association] and the UEDS, and they are left behind. And this is quite true if we note that, in a group of 100 persons, from a partisan standpoint 20 are from the Socialist Party and nine from the Social Democratic Party, and that both parties have recently announced a large number of affiliations, as CDS and PCP have done. Are there left for PRD those who up until now did not like parties? Those who do not vote? The radicals on one side or another? The disgruntled (who number many)? Could there be anyone willing to take a risk now? Some of those joining PRD already belonged to executive bodies and there has been no great news about their activity. Who would vote for Melo Antunes, Victor Alves, Emidio Guerreiro, Salgado Zenha, Jose Rabaca, Antonio Arnaut, Eduardo Correia or Joao Figueiredo? They have always upheld positions which the Portuguese society repudiates, or have been incapable of changing, unless they could now (or could they?), one wonders. Shall we again try economic projects such as those that Melo Antunes and Maria de Lurdes Pintasilgo advocated at the time of the "Sesimbar meetings"? Or shall we have the unfortunate example (always repeated, except when it occurred with Cardia) of the Ministry of Education, operating at a great deficit, with immediate problems and in particular, dragging us to the tail end of Europe in terms of educational methods?

Promising Is Easy

Anyone who goes back in time, and he need not return to a very distant past, will find that the positions assumed by certain members of PRD did not please the Portuguese people, and it is by now difficult to embark on the easy promising so much liked by politicians. And if we add to this fact the behavior of certain individuals of "25 November," who emerged as "protectors" of those perpetrating the coup, and who acted against Ramalho Eanes himself, we may assume that the misgivings about joining PRD will flourish.

Moreover, Ramalho Eanes, who has had his life made easy by the almost constant disastrous action taken by the consecutive governments, has never given any evidence of transcending his status as a serious man, wavering from PCP to CDS. And in our view this is insignificant. And to do something that would procure the votes that PRD needs to govern, he would have to take clearcut options in one direction or another. Will he do so?

At the Troia meeting, some clues appeared from the standpoint of a platform, when the future party's statement of principles was approved in general.

It was a document with six major chapters, which is described as a "plan for change in Portugal."

The document declares: "In this statement of principles, it is intended to set forth some of the major guidelines of a plan, based on a philosophy of political thought and action, which are meant to be real alternatives to fulfill the demands and conveyors of effective capacities for meeting the needs, aspirations and imperatives for change that have been detected in Portugal's requirements.

One of the chapters is devoted to ethical and cultural principles and a new model of society. It upholds "the real democratization of the society, the primacy of man over the economy and work as an essential value."

The same chapter also discusses "the reform of the educational system, and the clear affirmation of a policy on youth."

The document advocates a new electoral law "which is aimed at more faithful representation of the voters' desires," the reform of the law on local finances, and also "the establishment of structures and procedures for diversified, democratic representation."

The original text of the statement of principles was prepared at a national plenum held in Abrantes during June 1984, and since then it has been subjected to several changes.

The defense of the constitutional revision with regard to the election of the members of the Constitutional Court and the opening of TV to private enterprise are some of the changes made in the movement's statement of principles.

At the special session, the movement's plenary group approved liberalization of the radio frequencies.

Other changes to the original text were also made in the chapter on news media, such as "effective regionalization of state radio" and "diversification of the role of the state news agency."

The document also cites the possibility of there being two statutory opportunities for belonging to the new party: that of a member and that of a backer.

But this is insignificant. We think that, without knowing where each one of the "Belem men" stands, no one will take any steps in the direction of PRD.

The Next Action

When PRD is formed, in May, there is every indication that on the first opportunity that arises, Ramalho Eanes will be used to dissolve the Parliament. This

will be a challenge to the present executive body. In the event that the dissolution of the Assembly of the Republic should occur, the government will also find its position reinforced on the popular level, and it will know how to take advantage of this; the same thing will hold true of the parties, especially those which comprise the coalition in the government.

The polls that have been published give the simple majority to PSD and the second place to PS. It is thought that PRD, new in the contest, will assume about the fifth place, bearing in mind that the second and third places will go to PCP and CDS. These are only suppositions obtained from the polls. But the results could be different and it is on this that PRD is counting, following the example attempted by Sa Carneiro, to start with a majority, a government and a president (for which it would have to revise the Constitution). And that is not easy.

Acting on behalf of objectives, the new party will now move to form a government and, if it achieves this, it will make the life of whoever is in Belem miserable, unless he is a stronger individual than Ramalho Eanes and is unwilling to put up with what the president has withstood, on the one hand, and is free of any entanglement, on the other. And so we shall be there, with the soup constantly spilling....

But all this entails the economic component, which will have a great preponderance, that will even be decisive, in the near future.

Party Name Discussed

Lisbon O JORNAL in Portuguese 1 Mar 85 p 13

[Text] At the outset, there were 500 names. The net was dropped, but not everything that came was fish. Suggestions for names for the new party of the kind such as "God's Will Be Done" or "Party of the Man from Alcains" were obviously excluded.

Well, 402 remained to be subjected to marketing processes. From this second selection only 40 names were left. Then, teams were set up in Lisbon, Tomar and Santarem, for "laboratory" tests. The favorite names were National Democratic Convergence, Democratic Front, Democratic Action Party and Renewal Party.

Partial tests indicated maintenance of the initials CNARPE. However, those initials "lost" in Lisbon, where only 30 percent "voted" for them. On the other hand, the absolute majority wanted the word "democracy" in the name; and, as for the word "national," it was more rejected. Other vetoed words were: social, republican, labor, reconstruction and progress. Those terms were only accepted if they were associated with others, namely, "democratic."

A poll taken in Troia gave the following results in descending order of preference: National Democratic Convergence, CNARPE/Renewal Party, Democratic

Renewal Party, Democratic Renewal Front and Renewal Democratic Party, as well as New Democracy. In any event, the initials CNARPE were to be maintained, according to the responses to a specific question on the issue.

When the question was asked separately, the name "party" appeared essential. However, specifically, it was found that the term "party" was not rejected, and that the name "renewal" received special preference. Hence, it ended with PRD. The vote was 101 votes to 77. It was 1622 hours on Sunday.

After the applause, there were Herminio Martinho's remarks: "It is in democracy that we must have the renewal that the country needs so much."

Pessimistic Forecast

Lisbon A TARDE in Portuguese 28 Feb 85 p 6

[Text] Yesterday's interview with Jose Carlos Vasconcelos by DIARIO DE NOTICIAS was merely a public outcropping of the many pressures to which Gen Ramalho Eanes has been subjected during the course of the formation of RDP. In view of the silence of the president of the republic in the matter, of course his position is not known. In the meantime, the least that may be said is that it is far from being comfortable, apart from his own possible contribution to it.

Giving him credit for frankness, Vasconcelos did not evade (could he have done so?) the twofold appeal to Eanes who, at present, is monopolizing the group's concerns. Without any hedging, he demanded, on the one hand, the general's direct engagement in the party and, on the other, the dissolution of Parliament, with the resultant calling of new general elections.

In the opinion of the PRD leader, the election results for it will be substantially different, depending on whether or not the current PR agrees to lead it; and, without a general visit to the polls over the short term, the necessary public affirmation will be impossible for the party.

When everything is observed and reviewed, one readily reaches the conclusion that, after all, despite the long negotiations, PRD has ended up coming into existence at the least appropriate time. Its survival now depends solely and exclusively on the action of someone who, in taking it, would destroy the image of earnestness which his followers praise him so much for; with the odd feature that they themselves are the ones urging him to the undertaking.

Either we are deceiving ourselves greatly, or PRD's destiny, without Eanes or with Eanes under the terms that have been proposed to the general, will hardly succeed in escaping what the now defunct (but still twitching) ADSI experienced.

2909

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POLITICAL

PORTUGAL

RECENT PSD CRISIS GIVES RISE TO COMMENTARIES, SPECULATION

Unity, Presidential Candidacy Issues

Lisbon O DIABO in Portuguese 12 Feb 85 p 2

[Article by Jose Miguel Judice: "On the Threshold of a New Day"]

[Text] What a strange party this is, that spent 19 hours in high tension and on the following day, once the question of leadership had been resolved, immediately settled into a calm and relaxed atmosphere. What a strange country this is, that has its correct expression, in microcosm, in the Social Democratic Party (PSD). And, perhaps for that reason, a week when the censure of the PSD was such that the members of this party were almost beginning to feel ashamed of being that (even though they were innocent), is being followed by a new week, in which the country has again quieted down about the PSD and understood that the crisis had been resolved in a correct manner--and the media reflect that. Contributing to that, no doubt, were the exhausted faces that the television revealed at the 6 am Sunday morning press conference. It had been a long effort to try to achieve unity and, with sacrifices and good will, a solid majority had been formed. As I wrote here, unity was not achieved with Mota Pinto (because he did not want it), it was achieved against Mota Pinto (although it was against some of his supporters).

The solution thus found emerges as an imperative to avoid the political vacuum on which some were counting, disregarding the situation of the country and the image that the PSD was gaining among the electorate. It emerges, also, as an effort to regenerate the party and to bring back into it the operating procedures that never should have been discarded. It emerges, finally, as acceptance by the two most dynamic sectors of the party (the two previous opposition factions) that this can only be a year of unity, as Mota Pinto was told countless times, but some of supporters did not allow him to make it so.

I rather suspect that the advisers faithful to Mota Pinto's leadership were the main culprits this weekend, just as they had already been to blame in Bonfim for the departure of the professor from Coimbra. To count on a political vacuum, to act with majority logic when one does not have a majority, to want Mota Pinto in the government without leading the party, and without even having the people for such a strategy, all of that could

only have led to where it did, however much the efforts to achieve complete unity were attempted until early morning by the victors, who knew that they had a clear majority without Mota Pinto but who, notwithstanding that, did not desist from attempting a solution of complete unity.

In the face of the successive refusals of the inflexible Mota Pinto supporters, there could not have been any other solution, the more so since 50 percent of the new political committee elected are people who had been supporters of Mota Pinto's motion in Braga. It must be recognized that enormous unity attaches to this solution, which, nonetheless, does not fail to have its problems at the grassroots level. From Correia Afonso (one of the leaders of the 'critics' of 1981) to Miguel Veiga (an old Balsemao supporter); from Silva Marques (an advocate of a military candidacy, so it seems) to Luis Fontoura (a total advocate of a civilian); from Marcelo Rebelo de Sousa to Joao Salgueiro, the differences are real, but the conditions for unity have been created. In the first place, by the internal referendum on the presidential elections, which all accept as a solution. In the second place, by the fact that we are in an election year. In the third place, because everyone is in agreement that the PSD must position itself as the alternative to the central bloc. In the fourth place, because the divisions of 1981, the divisions of Montechoro and the divisions of the Congress of Braga belong to the past; and the personal integrity of those elected also helps.

Now the big question for the new political leadership is to determine if it will be capable of expanding its base of support and of summoning the collaboration of those who--by all legitimate right--voted against it. To determine if, contrary to what some of Mota Pinto's supporters wanted, it is capable of creating more unity and of applying all the values of the party that, for integrity of character, have to be applied. The retention of Amandio de Azevedo in the government is a first positive sign, the more so since it was unanimously supported by the whole political committee.

And if that is the big question for the political committee, the big question for the party is the selection of the presidential candidate, which everything seems to indicate will be Alberto Joao Jardim, supported by the rank-and-file through referendum. Moreover, the action of the president of the Regional Government of Madeira in the National Council was a model of political insight, of a unity effort and of acceptance by all the groups. The manner in which the crisis was solved favored it, just as it favors political stability, making it impossible for Soares to leave the government and improbable that Ramalho Eanes can justify the dissolution of the assembly on this pretext.

Is everything a bed of roses? Obviously not, inasmuch as it has not been assured that the Mota Pinto diehards and one or another district leader may not try to initiate a holy war for congress. The holding of the referendum (which serves as an objective shock-absorber against that), the loss of influence at the level of the state apparatus (which is important for those who always operated very much around there), the spirit of unity that is

spreading, the natural tendency in an election year for some of the weekend's opponents to collaborate with the political leadership without the loss of dignity--all of that leads one to anticipate that that strategy will be a mistake and unsuccessful. But being unsuccessful may be unimportant; if the holy war strategy is put into practice, it will undoubtedly weaken the PSD.

Three months ago in Viseu, Mota Pinto had his golden moment in the party because he knew how to personify the anti-Socialist feelings of the member and, for the first time, he knew how to present a solution of unity. From then on, he allowed himself to be surrounded by those who felt unity to be a threat, and retreated, preparing a confrontation that the party did not want, which the year did not justify and for which he did not have sufficient forces. That is the great lesson for those who, breaking down barriers and attenuating factionalism, agreed to collaborate, sacrificing legitimate personal strategies for more general interests. If they have learned the lesson, they will be successful; if they have not, they will be unsuccessful. The PSD will punish those who do not attempt unity and those who refuse it if it is offered to them, now that they are the minority.

Party, Personalities Praised

Lisbon TEMPO in Portuguese 15 Feb 85 p 7

[Article by Dinah Alhandra: "Civic Consciousness"]

[Text] After almost 15 years of membership in a party with the strength of the PSD and of so many and such varied experiences--the difficult times of 1974 and 1975, the (physical and moral) aggression, the deaths, the victories and the defeats, the dissidence, the internal struggles, the irreparable loss of Sa Carneiro--I was convinced that nothing more could shake me at the party level.

The national councils of the past weekend came to prove me wrong.

This could be said of any party other than the PSD, owing to the preoccupation with secrecy that always surrounds their internal quarrels. In the PSD, on the contrary, whenever there is a brawl, everybody knows about it.

A serious error, many will say. The voters, the supporters, do not like to know about the existence of conflicts, of differences. They prefer to imagine that everything goes on in the best of all worlds and that, contrary to what happens in their daily lives, the members and leaders of the party they support are perfect beings, who all agree with one another marvelously, in the most complete unity.

The reality, however, is quite different. The parties are composed of normal people, with the same defects and weaknesses as their neighbor. They may have, perhaps, a higher degree of civic consciousness than many of their fellow citizens, otherwise, they would not sacrifice their time and,

so often, their money in the service of the community and of an ideal of life. There are also the others--they exist in all the parties and the PSD cannot be an exception--who turn their party membership into a means to achieve personal advantages.

That is why I consider this transparency of the PSD to be highly beneficial, this sort of washing the dirty linen in the public square. On the one hand, there are no curtains of silence to conceal improper behavior; while, on the other hand, it gives the various participants a keener awareness of their duties toward the country.

Well, that is precisely what happened in these national councils. Excluding some intransigent attitudes that did no honor to those who assumed them (I would love to mention one name...), the national interest led many others to abandon their positions generously and, in some cases, even to swallow a good-sized dose of crow.

Marcelo Rebelo de Sousa, leader of the Nova Esperanca minority group, was the one who sacrificed the most for the national imperatives.

Nova Esperanca, which has enjoyed notable growth within the party in recent times, not only found itself forced to become a member of a political committee that will have to support a government solution with which it disagrees, and has always disagreed, but it also pledged to cease its activities until the next congress, which will certainly have a negative effect on the broadening of its sphere of influence.

Another person who has much to lose and little to gain from the serious responsibilities he agreed to assume is Rui Machete. I do not envy the task to which he has put his shoulder. From what I know of his personality and his life, I believe that he was led to it by patriotic duty and by a Christian concept of society. Moreover, the calmness under adverse circumstances that he so amply demonstrated before the Portuguese Radio-Television (RTP) cameras last Tuesday can only be attained with a perfectly undisturbed conscience.

Will I try to convince the readers that the recurrence of these veritable psychodramas will be beneficial for the PSD and for the country? Obviously not. It is my conviction that we are beginning to reach the threshold of a certain peril, running the risk of an "overdose."

Even involuntarily, wounds are opened, antagonism is generated between persons, which will end up becoming situations of constant conflict incompatible with indispensable party solidarity.

At a press conference 2 days ago to announce that several former something or others had joined the PS (at this rate the PS will become a party of has-beens looking for employment), Dr Mario Soares boasted about the unity that reigns in his party, in a thinly veiled gibe aimed at the PSD.

However, no one is unaware of the violent internecine struggles that have been waged in the PS on various occasions. Strangely enough, those wars only occur when the PS is out of power. The conclusion is obvious: the cement of unity between the socialists is, after all, nothing more than power and the possibility of the distribution of positions and benefits that it confers.

Between that type of self-serving and opportunistic unity and the occasional rows in the PSD, I prefer the latter.

And I venture to think, so do the Portuguese...

Jardim Prospects Seen Improving

Lisbon DIARIO DE NOTICIAS in Portuguese 11 Feb 85 p 3

[Article by Oscar Mascarenhas]

[Text] Yesterday's minorities in the PSD are today's majority; and, more than that, they now show some cohesion. The groups of Joao Salgueiro and Marcelo Rebelo de Sousa have placed the Mota Pinto forces in the--already divided--internal opposition, and they are unlikely to permit those who won the Congress of Braga to utilize the interval between yesterday's National Congress and the holding of the May congress to make political capital. In not wanting to share in the leadership of the party, the more diehard Mota Pinto supporters acted with some emotion and run the risk of wandering in the desert.

There were some dramatic moments in the reversal of positions in the PSD leadership Sunday morning. From the side of the opposition (Salgueiro and Marcelo in unison) came the broadest offers for the Mota Pinto forces to remain in the leadership of the party. The possibility of Mota Pinto returning to the leadership provided that he agreed to eliminate some disputed individuals from his "entourage" was even ventured.

That solution having become unfeasible, it was discovered that it was the Mota Pinto forces that did not accept the leadership of Machete. That position had to do with the "testament" of Mota Pinto, who took a dim view of being replaced in the position of deputy prime minister by the current minister of justice. The opposition groups agreed to negotiate even that. Nothing came of the private pact of the Mota Pinto forces, which did not succeed in coming up with another alternative name for the leadership. Amandio de Azevedo even collaborated in the preparation of a list, which he would head, with Machete as vice-president and the positions distributed according to the vote in the Congress of Braga. The proposal apparently "did not get off the ground."

It was then that, more for emotional reasons, the participation of the Mota Pinto forces in the leadership roster was blocked. Amandio de Azevedo withdrew and some diehards remained with him. The district committees did

not agree on the selection of their representatives in the political committee and, in the absence of an alternative proposal, the only list presented to the presiding board of the National Council was voted on. The majority obtained (47-34, with 10 blank votes) is the more significant inasmuch as the member of the council were originally in favor of the Mota Pinto group.

Four Points of Agreement

What is going to happen next? For the new leaders, it is an agreed point that Machete will have to assume the vice-presidency of Mario Soares' cabinet. It is also an accepted fact that this time the reshuffle will go forward, although it will not go very deep. On the one hand, as the DIARIO DE NOTICIAS learned from the two groups that now hold the majority, so as not to create the feeling that it is "revanche" ("We are not going to do to them what they did to us," promised Santana Lopes, a sentiment that was echoed by Silva Marques.). On the other hand, it would not be very feasible for the PSD to radically change its participating roster in the government if there were not a similar move on the part of the PS.

At the internal level of the party, there is going to be a referendum to select the profile of the presidential candidate, and the congress is going to be held. The Marcelo and Salgueiro groups agree completely on these four points and, in an instant preview collated with representatives of the two lines, Eugenio Nobre and Calvao da Silva are the names that run the greatest risk of being dropped from the government. Faria dos Santos, in fisheries, is also a possibility for departure. At the level of minister, it is anticipated that Jose Augusto Seabra has been placed in a delicate position, and the same may possibly occur to Ferreira do Amaral. If, as was widely rumored at the PSD National Council, Eurico de Melo aspires to the position of minister of defense, it is very unlikely that he will see that ambition realized. Leonardo Ribeiro de Almeida is the name most mentioned for that ministry. One can understand the fact that the Mota Pinto forces should try to separate the National Political Committee to be elected on Saturday from the group that should participate in the government. Duarte Lima, a supporter of Mota Pinto, did not hide his bitterness from the reporters: "The real party is north of the Tagus Basin and this political leadership lies in the Tagus Basin." That adviser considers the replacement of members of the government to be wrong, convinced that the current political committee is only provisional, for which reason it would be foolish to change a deputy prime minister for only 2 months. But the victors do not think that way; like Santana Lopes, they declare this to be a full leadership. If that is so, the Mota Pinto forces will lose some of their props placed in government positions. Silva Marques went further and declared that the "watering trough policy" was at an end.

Jardim's Possibilities

Within the party, it is apparent that the Mota Pinto forces are going to lose control of the apparatus: three specialists in those battles are in the political leadership and nothing indicates that they will have the

generosity to offer the victory to adversaries. In fact, with Marcelo Rebelo de Sousa, Antonio Capucho and Antunes da Silva (who backed away from his intent to present to either the council or the media, as he had threatened, a voluminous "dosier" that would call into question the leadership of Mota Pinto) the PSD leadership has all of the conditions to "take over" the apparatus and to influence the prospects for congress and even the referendum.

This is where the possibility of another defeat for Mota Pinto comes in. The referendum is really going forward and the possibilities are increasing that the party will reject a military candidacy, on which the deputy prime minister was counting and which was embodied in the name of Firmino Miguel. If the profile of a civilian candidate and member of the party is adopted, the advantage belongs to Alberto Joao Jardim, who has, already entered the presidential race, who already figures in the designs of other personalities outside of the Marcelo Rebelo de Sousa line, and whose candidacy makes it embarrassing for the party to launch another name now.

The Mota Pinto forces may fire their last shots in the congress, but it is not considered likely that the leadership will be reversed once again. The cohesion between Salgueiro and Marcelo, naturally more tactical than real, is likely to be maintained until the major meeting of the party, and the possibility of joint lists to benefit from distribution by the Hondt method has even been suggested. It should be recalled that even in Braga the two factions, previously situated in the opposition, obtained 51 percent of the votes.

Without the government and without an apparatus, what can Mota Pinto do to recover his positions? He is not known to have the wind of a distance runner in battles of this type, specifically where little more than his merits and talents count. The idea was left in the air that, with his strategic withdrawal from the list, Amandio de Azevedo might have wanted to promote Machete for the alternative in the leadership. We are not unaware that Amandio de Azevedo accepted the placement of Machete in the position of first vice-president reluctantly. Nevertheless, that does not appear to be the calculation of the minister of labor, a personality who does not encounter much opposition in the party. He has "historic" rights and sees here the opportunity to emerge with honor, without affecting his commitment to Mota Pinto, and to disengage himself from some cumbersome support that was the target of his adversaries.

Only one doubt remains: is not a possible selection of Jardim as the candidate for president of the republic going to have negative costs for the current leadership? It is not very likely. If that name is approved, it is because it results from the choice of the rank-and-file, mobilized for the referendum and, immediately afterwards, for the congress. The reckoning and risks, therefore, belong to Alberto Joao Jardim himself and the rank-and-file members of the PSD. By the referendum method, the political leadership can lose very little from this.

'Nova Esperanca' Rises

Lisbon DIARIO DE NOTICAS in Portuguese 10 Feb 85 p 6

[Text] Jose Miguel Judice was elected chairman of the Lisbon district political committee of the PSD yesterday by a vote of 126 for, 43 against and 17 abstentions; there were also 5 null and void blank votes. Only one list ran in the elections for the district organs.

Correia Afonso was reelected to the position of chairman of the board of officers of the district assembly by a vote of 134 for, 32 against and 19 abstentions (there were 6 null and void blank votes); and Antonio Maria Pereira retained the chairmanship of the District Jurisdiction Council.

For this later organ, there were 132 votes for, 31 against, 20 abstentions and 8 null and void blank votes.

The Lisbon district committee is the second party federation in the number of member (following Oporto) and includes about 30 sections.

Thanks to yesterday's election results, the Lisbon district remained under the control of the "Nova Esperanca" faction led by Marcello Rebelo de Sousa and Pedro Santana Lopes (who resigned as chairman of the district political committee in order to run for the presidency of the Lisbon Chamber), and Jose Miguel Judice.

Morais Sarmiento: 'Unequivocal Support

Nuno Morais Sarmiento, elected vice-chairman of the Lisbon Metropolitan Area of the PSD told PORTUGUESE NEWS (NP) that the results achieved in the voting reflect the support at the local government level for the positions assumed at the national level.

"This vote, which represents two-thirds of the expressed votes is similar to the one obtained last year and represents the unequivocal support of the district assembly of the Lisbon Metropolitan Area for the positions supported by their representatives during the past year," he emphasized.

Nuno Morais Sarmiento, of the Social Democratic Youth (JSD), who becomes one of the two vice-chairmen of the permanent committee of the Lisbon Metropolitan Area of the PSD, commented that, although this vote and this support "may have greater significance at the local government level, they do not fail to have repercussions with reference to the positions assumed by the district leaders at the national level."

Mota Pinto: No Win Situation

Lisbon EXPRESSO in Portuguese 9 Feb 85 p 3

[Article by Jose Antonio Saraiva]

[Text] The Social Democratic Party is a surprising party.

For months, its president, Mota Pinto, was attacked in various tones for the fact that he had not defined a strategy for the presidential elections.

The leader's lack of decision was berated.

His inability to secure a candidate was criticized.

It was even insinuated that Mota Pinto had made a secret pact with Mario Soares and that the successive postponements of the selection of the candidate was due exclusively to his desire to make a strong Social Democratic candidacy unfeasible, thus facilitating the election of the secretary general of the Socialist Party (PS).

Whether that was true or not will probably never be known.

Nor is it of concern.

What is true is that, feeling hemmed in and called into question, the president of the PSD decided to respond to his opponents.

He exchanged views with some advisers.

He made some contacts.

And, finally, he appeared at the National Council meeting in Oporto with a name in his pocket apparently capable of contesting this year's presidential elections inch by inch not only with Soares but with any other candidate: Firmino Miguel.

One would have said that the problems were resolved and that the criticism of Mota Pinto and the doubts about his intentions were no longer justified.

A complete fallacy.

When the matter of the presidential elections came up for discussion, everything was called into question again.

It was decided not to give the president of the party the power to select the candidate, submitting the final solution to the rank-and-file.

The leader was even attacked for having been dealing with the subject behind the members' backs.

In the end, instead of emerging strengthened, Mota Pinto emerged weakened, being forced to request his resignation.

It should not be necessary to add anything more to understand the reasons that make the PSD a surprising party.

However, it would be worthwhile to recall one thing.

Mota Pinto was criticized for having selected the candidate at a meeting with four of five members.

But who does not remember that General Soares Carneiro was selected by Francisco Sa Carneiro at a meeting in which there were only two other persons, neither of whom belonged to the PSD?

And that, despite the doubts that existed about the selection made, nobody dared to contest it head-on, much less the leader's right to make it?

8711

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POLITICAL

PORTUGAL

ENLIGHTENED RIGHT SEEN ONLY HOPE FOR SALVATION

Lisbon DIARIO DE NOTICIAS in Portuguese 7 Mar 85 p 8

[Article by Luisa Manoel de Vilhena: "Such a Right?"]

[Excerpts] Liberalism is in fashion. It has the curious feature of being ambidextrous, because it can work both in the right and in the left. It is claimed by the CDS [Social-Democratic Center Party] and also by the Liberal Left Club. It can perhaps be said that the idea of liberalism was born when, at the time of Louis XIV of France, the famous request was made of the sovereign against the protectionism of his minister Colbert: "Sire. Laissez faire, laissez passer!"

A few days ago, speaking on television about the CDS congress, Mario Soares stated: "I am also a liberal...." And he is. Mario Soares is a "liberal" by temperament, because he is tolerant, because he is not authoritarian, and even because he lacks the patience and the conviction to impose a definite course. But, unless we are mistaken, Soares is a socialist, which, in ideological terms, represents exactly the opposite of being a liberal.

Just like Marxism, liberalism is a concept based on the economic application of a theory. Liberalism is a free economy depending on private initiative and market conditions, subject to the mechanisms of free offer and free demand.

Marxism and its son, socialism, are economic systems that are directed, statal and "encompassing" the entire economy.

Therefore, Dr Mario Soares cannot be a liberal.

But then, who is?

The CES?

The Liberal Left Club?

Twenty years ago, social democracy was fashionable. Thirty years ago, it was Christian democracy. And fifty years ago, it was the dictatorial regimes, fascist, red or simply authoritarian.

Which is the political ideology best adapted to Portuguese conditions? And what are the lessons we can draw from our long history?

In a superficial review of our 8 centuries, we are compelled to admit that, in a national sense, the country's golden eras always corresponded to authoritarian regimes: the reign of D Joao II, the time of the Marque de Pombal, the Salazar era are 3 typical examples. And at the opposite end of the scale, such phases of democracy and tolerance as the First Republic, the reign of D. Carlos, the time of D. Pedro IV, the present situation, always produced eras of national decline, poverty and disorder.

Would that be reason enough to argue in favor of a dictatorship. Of course not. Just as we cannot argue in favor of the turning back of civilization by saying that progress brings more difficulties than advantages and that human beings were happier with oil lamps and horsedrawn carriages.

Democracy, progress, the rise in people's standard of living, etc., are "conquests" of the civilization that constitutes the launching pad from which we shall have to find--or at least seek--the necessary solutions.

The so-called "liberal wing" which, at the time of Marcelo, demanded an opening, a "liberalization" far beyond what Marcelo was ready to grant, was not, in ideological terms, a group of liberals: it was a group fascinated with social democracy.

As we all know, social democracy's main principle is a better distribution of income implemented in a democracy through a heavy taxation system. It differs from socialism because it wants to implement this distribution without destroying that fundamental source of wealth, private initiative. And it only makes sense in countries enjoying a high income, given the fact that only what exists can be distributed and, if there is no wealth, one is reduced to distributing poverty.

At the beginning of the 70's, there were few rich people and many poor ones in Portugal. If, in evangelical terms, all the rich would have distributed their wealth to all the poor, there would have been no rich people, but the poor would have remained as poor as before.

The April Revolution occurred in a poor and backward--albeit developing--country, where social inequality was marked, where some tens of large enterprises shared among them economic power and the initiative for new undertakings. The revolution destroyed these enterprises and "distributed"--very unfairly--not the national income, but all the reserves of wealth, public or private, that existed in the country at that time, thus granting a few years of illusory social advancement, "permitting" the birth of new great wealth, and leading the country, on a short term, toward progressive poverty.

It does not seem that social democracy was the adequate system to apply in Portugal, even in the 70's, and much less today. To distribute what? For heavier taxation than we now have, considering the low income level of the Portuguese?

Socialism is an ideological luxury. It belongs to the realm of utopia. A socialist economy is a process that is sure to impoverish any country, rich as it may be. Mitterrand is now gnawing at the flourishing economic situation left by Giscard. Once the hour of fantasy--which is costing the French dearly--is over, another Giscard will have to laboriously rebuild the economic reality of the richest country in Europe, and the French will have to foot the bill.

But Portugal has reached the end of its own hour of fantasy. And no other country will have paid such a high price for the euphoria of a liberating experience.

An American congressman said: "If a socialist regime were installed in the Sahara, they would have to import sand in no time." In Portugal, we are reaching the time when we shall have to import stones, because even our granite is being devoured.

But here, the fault cannot only be attributed to the socialists.

The countries destroyed by World War II were rebuilt by the application of Christian democracy based on the church's social doctrine. A few years later, healthier thanks mainly to the Marshall Plan and enjoying human and natural resources unknown in Portugal, some of these countries became social democracies. It happened in Germany, Belgium, the Netherlands....

Portugal is in as bad a situation as if we had lost a war. And the IMF's support is not granted us with the largesse and the generosity of the Marshall Plan. And we have riches neither in our soil nor in our subsoil. Moreover, in our country, the potential of our grey matter was never developed.

To apply the doctrine of liberalism to Portugal in the state of poverty we have reached would be to deliver the country to the law of the jungle. Of course, many would create wealth, but the largest part of the population would be plunged in increasingly dire poverty. Because the privileged classes would then be free to defend the consolidation and the increase of their privileges. The entrepreneurs would freely fight for the solutions most advantageous to their enterprises without regard to anyone. And the least powerful, the poorest, the weakest would be numbed in the name of liberalism. It would be an unequal struggle, for which the country is neither prepared nor attuned to.

Collective interest cannot be subjected to the interest of minorities, as was the case in the old Estado Novo and as it continued to be, in different but equivalent--if not even worse--form, after the revolution.

At the same time that Christian democracy is a humanitarian form of controlled capitalism, capitalism is the only system that has demonstrated to this day the capacity to create wealth and development, and controlled capitalism compels private initiative to limit its entrepreneurial freedom to the collective interest of all Portuguese. Because a private economy is not so private: it has a social function it must implement.

I believe that recovery in Portugal, Europe and the world--excluding the Eastern world--will only be accomplished by the right. Provided, of course, that the right manifests its readiness to accept that the social revolution is ineluctable and a fait accompli, which must be faced with firmness but also in a spirit of voluntary abdication. A right headed by leaders who are sincerely involved in the construction of a better world, more prosperous and more just.

Only the right can lead this process; this is a heavy responsibility at the same time that it is a fascinating challenge.

Who will proceed to such a right from among the disillusioned and silent masses?

Liek Dr Mario Soares, I am a liberal by temperament. But also by conviction. And even by tradition.

And, because I am a liberal, I wish and pray that in this country, so mistreated, a true Christian democracy comes to be applied, through which, diligently and painstakingly, will be created those economic and cultural conditions that may later make viable the civilized and light-hearted social democracy that serves developed countries so well.

Meanwhile, however--and what a shame it is!--it would perhaps be more prudent to forget liberalism. Or to see that the next constitutional revision approves a new formula, replacing the sad "transition to socialism" with the proposal to "ensure" an optimistic "transition" to liberal democracy, which would be so well suited to the Portuguese temperament, but which for now, in the state of need to which we have been led, would so poorly serve the collective interest of the Portuguese.

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POLITICAL

PORTUGAL

LACK OF STRONG COMMITMENT TO DEMOCRACY ASSAILED

Lisbon EXPRESSO in Portuguese 25 Feb 85 p 8

[Article by sociologist J.M. Paqueta de Oliveria: "Country of Gods and Easy Things"]

[Excerpts] The behavior of the Portuguese politicians is becoming devoid of any sense of the value of living in a democracy. At this moment, the politicians have succeeded in taking over the management of Portugal's public life, but they have done it at the cost of the lowest levels of public participation in Portuguese social and political life, comparable only to the Salazar era.

We are definitely at another square one. There is no sign on the horizon of the gathering of the minimal conditions that would allow us to predict that we are close to a way out of the situation in which we are foundering--a situation of economic, political, social, cultural and moral depression. A state of depression, now a severe state of depression, a state of motivational depression. Daily life in Portugal today is marked by a suffocating and sterile amorphism. If there is no money in the bank, there is also no enthusiasm in the hearts of men, no struggle to live. It is not going too far to say that the signs of doom are stronger than the signs of energy.

The country is an apathetic and placid witness to the grotesque events in the game without rules among the various political groups in competition for the power, and its own interpreters say that Portugal's political life, let us even say Portugal's public life, is an "undignified" spectacle. The behavior of the Portuguese politicians is becoming devoid of any sense of the value of living in a democracy.

There is a price for living in democratic freedom. There is no question that living in a democracy exacts--and is worth--a very high price. What is at issue is the discipline, reason and balance required to manage this expense. For this reason, even in the name of democracy itself, we cannot allow the "gentlemen of politics" to continue to ignore these requirements, because this is the most direct way of attacking and destroying democracy itself.

There is no longer any doubt that the disagreements among the members of the ruling political class have to do with their own personal or group interests, and not even the interests of their own parties, much less the nation's interests.

The cynicism of these politicians has reached absurd proportions, exemplified by the statements and stands taken by various figures during the most recent PSD [Social Democratic Party] crisis. At this moment, the politicians have succeeded in taking over the management of Portugal's public life, but they have done so at the cost of very low levels of public participation in Portugal's social and political life, comparable only to the Salazar era. But are not these politicians native sons, our fellow citizens?

Ten Million Egos

After a century, the criticism of Ramalho Ortigao is just as timely today: "This is the general state of the Portuguese society:" "the placid inhabitant, lazy, soft, incapable of serious mental effort, incapable of vigorous physical exertion, lacking initiative, lacking perseverance, lacking method, lacking basic ideals, lacking conviction of any kind, placid, but listless." "In this last quarter of the century, Portuguese society could accurately be described as follows: a casual collection of 4 million (we now number 10 million) egos, exploiting each other and filled with loathing for each other."

In fact, we may have to look to our ancestry to discover reasons for this, our national character. It has been said that Portugal is "a backward country." I would say that Portugal is a country without a plan, without a purpose. Or rather, we make plans and projects but, for one reason or another, perhaps it is endemic, we rarely pursue them to the complete fulfillment of our development and progress. We usually deal with the superficial.

We are a country of easy answers. We are attracted to the easy part of any undertaking. Well, it is difficult to build without working, to win a race without training, to win a battle without fighting, to learn without studying, to distribute the wealth without having it, to have a future without a present.

Fragile Balloons

Cultural backwardness and inequality, poor social integration, a state of want, weakness and dependence at various levels: these are favorable conditions for the emergence of "gods." As contradictory as it seems, skepticism creates gods. Gods germinate in the belly of general disbelief. In fact, we are a country of gods. They surface in the parties and in the public squares, in the newspapers, on the radio, on television, among politicians and businessmen, among economists and administrators, among intellectuals and journalists, among capitalists and syndicalists. They rise up like children's balloons, blown up with a puff of air, wafted on the currents stirred up by the struggles and intrigues in which Portuguese society is currently embroiled. There is little consolation in blaming our "celebrities" for this situation. We have been the great audience for the spectacle.

Based on a certain logic, it can be concluded that, in this year's approaching elections, the Portuguese will use their ballots as a "weapon" to severely punish the politicians directly responsible for the present situation.

Boomerang Effect

It does not appear quite correct to deduce that the current parliamentary opposition will benefit directly from this expected severe punishment. It will certainly reap dividends, but we should note the following: if there are differences that leave no room for doubt, they are between the CDS [Social Democratic Center Party] and the PC [Communist Party]. The CDS, contrary to what might be believed, does not have "clean hands." First with the PS [Socialist Party] and then with the AD [Democratic Alliance], the CDS is on the list of parties which have governed the country the longest, after the PREC [Revolutionary Council]. It can hardly be denied, for obvious reasons and conditions, that the communists have not yet reached their maximum electoral strength among the Portuguese people. However, there is a strategy in which both the CDS and the communists have shared lately, which may be close to provoking a "boomerang" effect. They have followed the guideline that the important thing is to bring down the government which is now in power, which, to some extent, means to argue that, no matter what comes next, it "can only be better." Well, it is certain that if the Portuguese voter has absorbed anything, it is that what comes next is, in the end, "always worse." In addition to being invalid, this argument contributes, de facto, to the debilitation of the democratic parliamentary system.

It may be in fear of this debilitation that, appealing for "new hope," factions of the very forces which now hold the parliamentary majority are advocating a change in the system, a prerequisite for the "profile" of the candidate to Belem.

It is also the conviction of this debilitation that is winning strength and backers for the project of those who understand that it is imperative to offer the electorate a "choice" outside the present parliamentary picture.

It is not enough, however, to come up with an alternative rhetoric. It requires the ability and strength to bring together the conditions to carry out an authentic alternative program. It should not be forgotten that a possible overthrow of the present political class would represent a significant enlargement of the opposition, which, in the political struggle, has many cards to play. At this moment, to win Portuguese democracy, it is not enough to win the elections. It is necessary to win over the Portuguese, and the Portuguese must want to win democracy.

6362

CSO: 3542/128

POLITICAL

PORTUGAL

CAPUCHO: NO BALSEMAO ENDORSEMENT

Lisbon POVO LIVRE in Portuguese 27 Feb 95 p 8

[Statement in clarification by Antonio Capucho, of the Social Democratic Party]

[Text] In a recent interview granted to RDP 1 [Portuguese Broadcasting Company], the following dialogue took place.

Pedro Cid: Do you think that the presidential candidates will come out of this Mota Amaral/Joao Jardim/ Rui Machete trio, or are there...other possibly stronger candidates?

Antonio Capucho: I don't know if they are stronger or weaker, but there are other names which are nationally prominent: Dr Pinto Balsemao, the single founder of the party; Dr Fernando do Amaral..."

Some of the mass media "inferred" from this reply that the undersigned was voicing support for the candidacy of Dr Pinto Balsemao! Obviously, there was no expression of support for any of the names cited, nor was any definite opinion even offered on the profile (military or independent) of the candidate to be supported by the PSD [Social Democratic Party].

6362

CS0: 3542/128

POLITICAL

PORTUGAL

BRIEFS

NATO TECHNOLOGICAL ASSISTANCE--The NATO program of civil technological assistance to Portugal is "proceeding satisfactorily" and "should provide the country with a team of specialists in telecommunications which will enable Portugal to define its options better," declared French professor Henri Durand, NATO's assistant secretary general for scientific affairs. NATO has allocated \$15 million for the period from 1980 to 1987 for technical assistance to the three most disadvantaged countries of the alliance: Portugal, Greece and Turkey. There are projects in progress which will continue beyond 1987, Professor Durand explained. With regard to Portugal, NATO has allocated \$2.5 million to finance a program to modernize telecommunications. It is also helping to finance the exploration of the pyrites deposits in Portugal. These deposits provide the raw material for the production of sulfuric acid, but there is also the possibility of recovering residual copper, iron, silver, lead and tin. The purpose of the prospecting is to determine if exploitation is economically feasible. According to Professor Durand, no definite conclusion is possible yet, but there are reasonable expectations with regard to copper. [Lisbon A TARDE in Portuguese 28 Feb 85 p 2] 6362

CSO: 3542/128

POLITICAL

SPAIN

TEXT OF ACCORD ON REGIONAL POLICIES BETWEEN PNV, PSE-PSOE

Madrid EL SOCIALISTA in Spanish 1 Feb 85 p 4

[Text] 1. Constitutional Democratic Framework

The acceptance by the parties of some common rules of the game based on the Constitution and the Statute of Gernika is the starting point for the commitments this document refers to. Through it, the Basque Government and the Basque Socialists Parliamentary Group demonstrate their desire to comply with the Constitution, the Statute of Autonomy and other laws in effect as well as the decisions of the courts.

2. Violence, Terrorism and Democratic Coexistence

For both parties, as Basques and democrats, the protection of universally recognized human rights, especially the right to life, constitutes an objective which we are not willing to renounce. Consequently, convinced of the seriousness of the phenomenon of violence in general and terrorism in particular for the consolidation of a framework of complete democratic coexistence in Euskadi and driven by the need to help solve the problem, the Basque Government and the Basque Socialists Parliamentary Group express their desire to work together within the requirements of a state of law in the fight against violence and terrorism as well as their causes. They will also work to create conditions for tolerance and respect within Basque society.

The Basque Government and the Basque Socialists Parliamentary Group agree that violence and terrorism lead to the destruction of the Basque society itself and the progressive deterioration of the values and standards that can make the Basque Country progress politically, economically and socially and toward the democratic and civilized coexistence of a people. The use of violence within a democratic system constitutes a social defect. The objective is to supplant the will of the people, freely expressed in successive democratic consultations.

Therefore, the Basque Government and the Basque Socialists Parliamentary Group agree to clearly and categorically point out to our people the following principles that inspire joint action for peace and democratic coexistence among the Basque people:

1. In a referendum, the Basque people democratically chose the statute as a response to the majority demand for self-government. Consequently, to the Basque Government and the Basque Socialists Parliamentary Group, its complete development can and should be the solution, resolving the conflicts that have arisen throughout history and forming the framework of democratic coexistence in the Basque Country.

2. The Basque Government and the Basque Socialists Parliamentary Group agree that, in a system of freedoms in which all ideologies can be defended democratically and peacefully, there is no way to justify the use of violence which we reject completely.

3. The political problems of the Basque Country should only be negotiated among the political forces with parliamentary representation, the Basque Government and, when necessary, the Spanish Government.

4. To facilitate normalization of coexistence in Euskadi, it is necessary to expand the measures for the social reintegration of those who give up violence. The Basque Government and the Basque Socialists Parliamentary Group agree in repeating their call to give up violence and to defend political ideals through established democratic channels.

5. Foreign relations are the jurisdiction of the Spanish Government. No public power other than it can act or intervene. This principle extends to the international facet of the fight against terrorism. Based on this principle, the signatories of this document feel communications between the two governments must be maintained in everything that affects or relates to the objectives indicated in this chapter.

6. Both parties agree that the agreement contained in this chapter should be made known to the pertinent Basque Parliament committee for possible acceptance by the rest of the parliamentary groups.

3. Statutory Development

The Basque Government and the Basque Socialists Parliamentary Group agree that the development of the Statute of Gernika is a basic aspect of the political activity of the Autonomous Community. They are committed to making the necessary efforts to achieve its complete development.

Therefore, they agree on the need to:

a) Make dialogue and negotiation between the Spanish Government and the Basque Government a permanent and effective instrument to advance the transfer process as well as to settle disagreements on this that might arise.

b) Establish mechanisms for coordination and consultation in order to reach opinions before the final approval of bills--both in the Basque Parliament as well as in the Cortes Generales--that affect jurisdictions that correspond to the state or to the Autonomous Community.

c) Resolve the jurisdictional conflicts that can arise between the two governments through dialogue and negotiation so that there is an attempt to reach an agreement before any other recourse.

4. Cooperation in Economic Crisis, Especially Fight Against Unemployment

Both parties confirm the serious economic crisis that the Autonomous Community suffers. Its most worrisome manifestation is the high unemployment rate. It is necessary to present coordinated action by the public administrations, the political forces and the social mediators. They also agree that the imminent admission into the EEC represents a factor that, despite its medium-term advantages, requires an initial effort to overcome the problems derived from the level of competitiveness of the Basque economy in the new market.

Therefore, they agree:

1. To consider as priority political and budgetary tasks of the Basque Public Administration all actions aimed at fighting the economic crisis, especially unemployment.

2. To express their opinion on the urgent need for the creation of precise mechanisms and instruments to guarantee effective collaboration between the Spanish Government and the Basque Government, particularly to study and establish joint actions in order to solve the crisis of sectors and/or enterprises in the Autonomous Community.

3. To continue the work to draw up a medium-term economic plan for approval by Parliament as a substantial part of the economic policy of the Autonomous Community. That plan must receive maximum consensus from the political and social forces of the country. Therefore, mechanisms will be established that permit the Basque Socialists Parliamentary Group to participate in drawing up the plan.

4. To encourage the necessary agreement among the social mediators to try to reach the agreements that the current economic and social situation of the Basque Country and the immediate future require with the objective of reinforcing and adapting the economic structure of Euskadi and favoring the creation of jobs.

5. 1984-1988 Legislature

The Basque Government and the Basque Socialists Parliamentary Group express their common desire to guarantee the fulfillment of the popular will expressed in the most recent autonomous elections as well as the institutional stability and effectiveness of legislative and government work. Therefore, they agree to establish the suitable mechanisms of coordination that make it possible to achieve that government stability and the necessary majority for approval of the bills that the government sends to the Chamber.

They specifically agree on the following:

a) General legislative system:

1. The Basque Government promises to establish prior consultation and negotiation with the Basque Socialists Parliamentary Group before presentation to the Chamber of any bill with the objective of reaching an agreement on its content.
2. Also the legislative program of each session of Parliament will be the subject of the same consultation and negotiation.
3. The same procedure will be applied to the legislative bills of the Basque Socialists Parliamentary Group.

b) Special legislative system:

Independent of this general system of consultation and negotiation, the signatories will agree on the texts of bills in the following topics before presentation to the Basque Parliament:

Development of the Law of Bases of Local Government;

Development of the Law of Bases of Public Work;

Arbitral committees;

Development of Chapter III of the Statute of Autonomy of the Basque Country which requires the rank of law;

Fiscal coordination and agreement;

Development of the Law of Bases for Health;

Those that complement or modify current laws in effect on internal institutionalization of the Autonomous Community; and

Those that the Follow-up Committee might establish in the future.

In the matters cited above, if agreement is reached on the basic aspects of a bill but disagreements on other less important questions persist, the Follow-up Committee created in this document will agree on the presentation of that bill.

c) Special general budgets system:

As to the general budgets of the Autonomous Community, the following norms are agreed on:

1. The following will be the subject of agreement before presentation of the budgets: essential dimensions of the statements of revenue and expenses; and basic aspects of industrial policy and employment.
2. The basic aspects of the budget of each department will be the subject of consultation and negotiation in order to reach an agreement between the parties.

3. Without affecting the freedom of the Basque Socialists Parliamentary Group to present amendments on those parts of the budgets that have not been the subject of prior agreement, it promises to take the necessary measures to guarantee approval by Parliament of the general budgets of the Autonomous Community.

d) Institutional stability and control of the executive branch

As a result of this pact:

1. The Basque Socialists Parliamentary Group promises not to adopt or support initiatives or positions in Parliament that can block its functioning by a lack of quorum or affect the stability of the government.

2. The Basque Socialists Parliamentary Group preserves its freedom of parliamentary initiative to control the actions of the executive branch.

6. Definitive Institutional Model of the Autonomous Community

The government and the Basque Socialists Parliamentary Group agree on the need to make the necessary efforts to restore consensus on the institutional building of the Autonomous Community based on the Statute of Gernika. With that objective, they agree to begin an in-depth institutional dialogue, open to the other political groups with parliamentary representations, that will start with the study and analysis of existing legislation and establish the final institutional model of the Autonomous Community that would be incorporated to the legal texts within a year.

7. Follow-up Committee

In order to maintain constant follow-up of the contents of this agreement as well as other questions not contained in it that are judged to be of mutual interest, the parties agree to create a Follow-up Committee made up by three people appointed by the Basque Government and three others representing the Basque Socialists Parliamentary Group. Either of the parties can ask at any time for that committee to convene.

7717

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POLITICAL

SPAIN

PNV REITERATES COMMITMENT TO INDEPENDENCE, NON-VIOLENCE

San Sebastian EGIN in Spanish 7 Feb 85 p 8

[Text] Gasteiz (EFE)--The PNV [Basque Nationalist Party] said it will not renounce the independence of Euskadi or the right to self-determination, according to an internal document addressed to its members which EFE had access to.

The document indicated: "Except for the limited case of legitimate defense, the PNV will not advocate violent actions to achieve its political objectives."

It recalled: "Those outside the party who dream that the PNV will eventually end up as a regionalist party are wrong."

The ideological document called "very important" by nationalist sources tries, according to them, "to serve as reflection for our bases precisely at a time when the EBB [Basque Executive Committee] is accused of having distorted the ideology of the party."

This document was drawn up at a meeting held by the EBB last week. It had been headed by Roman Sudupe but he had to give up the presidency of the party after defeat last Saturday in the internal elections of Gipuzkoa.

The internal statement began by indicating that since the new "lehendakari" Ardanza took office, there have been a number of demonstrations and comments "whose analyses and consequences this EBB feels it should cover."

The EBB stated it was deeply concerned "by the behavior of certain internal sectors of the party that are hiding and falsifying facts and manipulating reality to sow discord among our membership for obvious reasons."

The top executive organism of the PNV also said that it upholds the ideological principle that led Sabino Arana to found the party: "To defend the identity of the Basque people."

The document added: "To develop this objective in practice, Arana applied the principle of nationalities in the political theory of the 19th century. In clear and succinct words, this principle that remains in effect led to the conclusion that the Basque people, as such, had the right to defend their independence."

The EBB stated that this defense of the identity of the Basque people and the assumption of political power to carry it out must be adapted to the times and circumstances "without renouncing anything but without falling into the stiffness of formulations."

Then the internal statement which EFE had access to indicated that "the right to self-determination by the peoples is a political formulation that was already consecrated not only in theory but also in international pacts. This right is considered inherent and inalienable for the peoples."

The EBB stated its fear that the Basques "reach formulations of European nationalism too late. It would be painful if we lacked the clear political vision that permits us to reach the new theoretical and practical statements in time."

The document added: "If defense of the identity of the Basque people advised or required of our people exercise of the right to self-determination through a statement of independence under certain circumstances, it must remain clear that the PNV, a political force that has assumed the defense of that identity as a priority objective, would not hesitate to assume that responsibility."

According to the internal statement, what will distinguish the PNV will be "its resolute proposal that a process of this nature be carried out with all the guarantees that an authentically democratic right can exercise."

Then the document indicated that if everything stated before referred to principles, "current reality and facts reveal that some of this Basque people are part of the Spanish state and want a Statute of Autonomy with the limitations, rights and responsibilities that this situation implies."

The internal statement indicated: "This EBB feels that, in this situation, it is necessary to be absolutely consistent and take both the good and the bad, fleeing from a policy of testimonial gestures and loud demagogueries that history has amply demonstrated have little usefulness during periods of normalcy."

Then the document went on to talk about "lehendakari" Ardanza. It said: "We have asked him merely to be consistent with our current legal status and that his work, concerns and battle be developed through correct actions to improve the condition of the people he is going to govern."

The EBB indicated that it cannot forget that the "lehendakari" has to be president of all the Basques. "Accepting that task under current circumstances can be an ideological effort for a nationalist at heart like all the members of this party including the 'lehendakari' himself."

It stated: "This EBB regrets the shameful manipulations that are occurring and disqualifies as responsible nationalists those who for personal benefit, without a sense of responsibility or a vision of the future, have launched themselves on an absurd campaign from which they hope to obtain recognition as being more nationalist than others without any other argument than lies and slander."

Lastly, the EBB indicated in the document "that it is good that there is a political awareness among our people and even a certain politicization of behavior, a necessary defensive reaction to the many aggressions against us throughout history."

The internal statement ended stating that, otherwise, "it is not good that persons or groups of this party are led to behavior that impedes an authentic policy because of too much passion and too little analysis of the real situation for purely personal interests."

7717

CSO: 3548/97

POLITICAL

SWEDEN

CARL BILDT URGES TOUGHER STANDS IN DEFENSE, FOREIGN POLICY

Stockholm DAGENS NYHETER in Swedish 11 Mar 85 p 3

[Op Ed Article by Carl Bildt: "Neutrality Requires Active Inputs"]

[Text] What is needed in the situation that Sweden is in today is a tighter foreign policy and a stronger defense policy, writes Carl Bildt (Conservative) in a response to Ingvar Carlsson (Social Democrat). One must look at the meaning of the neutrality policy.

In an article in DAGENS NYHETER on 1 March vice premier Ingvar Carlsson made a strong attack against Thorbjorn Falldin for his actions in the Bodstrom affair. In passing he also fired several salvos against the Conservatives.

His complaints against Falldin are severe. Ingvar Carlsson maintains that "Falldin is motivated by party tactics and concern for his own party. Not by concern for the country." That, according to Carlsson, must be "condemned."

Such severe words are unusual, coming from Ingvar Carlsson. It is up to Thorbjorn Falldin to reply to the accusations. But they not only hurt him and the Center Party. The three nonsocialist parties agreed in their judgment of the actions against Lennart Bodstrom, and the parliamentary consequences that must follow.

That this was the case should hardly surprise anybody. Because what the Bodstrom affair dealt with was respect for the basic elements of the Swedish foreign and security policies of recent years.

There has been a debate during recent weeks on DAGENS NYHETER's culture pages about certain journalistic aspects of the Bodstrom affair. But the most interesting thing about the debate was the statement by Arne Ruth that "none of DAGENS NYHETER's reporters have questioned whether the three printed versions of Bodstrom's dinner speech--DAGENS NYHETER's, SVENSKA DAGBLADET's and TIDNINGARNAS TELEGRAMBYRA's--were correctly quoted in all essential details."

It is thereby clear that the effort to claim that Lennart Bodstrom was thoroughly misunderstood by a number of our country's most knowledgeable foreign affairs writers has fallen upon bedrock. Few--if any--believe the bulletins of denial.

The seriousness of what the foreign minister said, and what the media reported in compliance with the rules which the foreign minister himself laid down before the dinner, can hardly be underestimated.

It concerned about 10 direct noteworthy statements. Perhaps the most noteworthy was when the foreign minister cast doubt on the validity of the report of the antisubmarine commission, and thereby also on the note of 26 April 1983 to the Soviet Union, which is one of the most important and sensitive diplomatic measures which a Swedish Government has undertaken in the postwar period.

Together the series of statements, which Prime Minister Palme pointed out, represent an entirely different security policy line than that which the government has outwardly expressed. In the Riksdag Palme completed by saying that the statements--if they were correctly reported--meant "political condemnation" for Lennart Bodstrom.

The Conservative, Center and Liberal Parties drew the only possible consequences from that by asking the Riksdag to express its lack of confidence in the foreign minister.

The action was just as unique as it was serious. It was caused by the statements which were unique and serious. It was a natural, obvious and inevitable consequence for everyone who has concern about firmness in the foreign and security policy lines.

The remarkable thing about Ingvar Carlsson's article is that he appears to see foreign policy mainly in party policy terms. Thereby his complaints against Thorbjorn Falldin say much more about the Social Democrats' way of thinking than about Falldin's. Sometimes the Social Democrats appear to be incapable of realizing that it is possible to have critical viewpoints on foreign policy questions also for deeply felt and strongly factual reasons.

A good illustration of that is the accusations which Ingvar Carlsson directs against the Conservatives. They appear to be carelessly assembled.

As usual the Conservative Party is condemned for different statements which the Free Conservative Student League [FMSF] is believed to have made. But Ingvar Carlsson knows that FMSF is an organization independent of the Conservative Party. The Conservative Party has no responsibility for FMSF's statements on various questions, and never vice versa either. That we have diverging views on just those questions that Ingvar Carlsson takes up was most recently explained by Ulf Adelsohn in the Riksdag on 6 February.

Carlson can not be unaware of this, and his nagging on the question gives the impression that he likes to pick quarrels.

Among the more noteworthy of the complaints that Olof Palme used to raise against us Conservatives is that Gunnar Heckscher and I, in an article on this page, believed that we saw signs in the repeated Soviet submarine violations which could indicate a lack of interest in respecting our neutrality in wartime. We saw that as a reason for Sweden to strengthen its defenses and to emphasize respect for its striving for neutrality.

Nobody in Sweden knows anything with absolute certainty about the Soviet Union's exact intentions toward Sweden in different future situations. But we have reason to believe that the view of our neutrality policy can be changed from time to time as a result of our own measures, great powers' changing judgments, changes in international policies or economic, technical and military developments. And we know that the Soviet Union, as other powers in our area in a crisis or wartime situation, will form their policies through a very cold analysis of what is in their best interests at just that time.

In a speech in Paris recently, Anders Thunborg pointed out that "obviously a warring state will not concern itself with neutrality if the advantages of an attack are believed to be greater than the disadvantages of violating a neutral state's rights and interests."

Repeated military exercises in our territory, at least during the years 1980-1982, probably intended to prepare wartime operations, must lead to efforts on our part to analyze the intentions of the Soviet Union in different possible future situations.

The Soviet Union and its policies must never be a taboo subject in the Swedish debate--then the debate would wither away, and the intellectual basis for our security policy would be undermined.

To openly discuss and analyze the premises for Sweden's security is necessary, especially at a time when foreign and defense policies are of great importance.

"What is going on is that we are again thinking through the basic meaning of our neutrality policy," I said in an interview in the NEW YORK TIMES several years ago. Ingvar Carlsson and his chief probably agreed to believe that was criminal. Nobody can read into that any intention to change the policy. But a policy the basic meaning of which cannot be thought through risks becoming a side show without content or substance. That should never be permitted to happen.

It is constantly necessary to think through the meaning of our neutrality policy. That is so that we can conduct this policy in consideration of the different circumstances in the world around us, which are continuously changing.

We must never believe that neutrality is something that does not require active inputs and a strong policy on the part of Sweden. And what is required in the situation that Sweden finds itself in today is a tighter foreign policy and a stronger defense policy.

In the foreign policy area that means that suspicions should never arise about double messages on questions which are decisive for the nation, nor should the impression be created that other interests than Sweden's govern the management of foreign policy. In the former respect, Lennart Bodstrom's dinner speech was humiliating.

The concept "double message" was introduced in the debate by the prime minister and really brought to life by the foreign minister. The debate has not been good for Sweden's external credibility.

This is the policy of the Conservative Party. It is a realistic neutrality policy which Sweden will need in the coming years. It is a policy which is gradually winning wider support.

The Social Democrats know and appreciate all this. In a difficult situation they are therefore trying to defend themselves by increasing their attacks--against Thorbjorn Falldin, against Ulf Adelsohn, against me, against any individual and totally unknown person who dares to say anything. We are peace risks, neutrality risks and security risks--all in a confused jumble without continuity, logic or credibility.

It is a level of debate which should be embarrassing.

Still there are careful positive signs in Ingvar Carlsson's article which should not go unnoticed. The vice prime minister does not repeat the prime minister's bridge burning--instead he takes his distance. And the members of the Social Democrats' Executive Committee will not be responsible for the foreign policy battle signals which are in the election plan which he himself approved--now he is distancing himself from such thoughts.

That is positive. We have reason to hold onto that. Our combined responsibility to form and advance a security policy which is genuinely national and for the common good should never be blown away in the heat of the moment or the labyrinth of election tactics. We must protect and develop that responsibility further.

9287

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POLITICAL

SWEDEN

BAI BANG PROJECT CHIEF, AID HEAD FAVOR PROGRAM PHASE OUT

Stockholm DAGENS NYHETER in Swedish 28 Feb 85 p 18

[Article by Peter Bratt]

[Text] "It is not our business to make far-reaching changes for forestry workers in the Bai Bang project. We are working to develop Sweden's involvement in the project," project leader Sigvard Bahrke said at a press conference Wednesday at SIDA (Swedish International Development Authority).

Sigvard Bahrke is the former head of ASSI, the National Forest Industries. He left that position in September 1982 and in the spring of 1984 he became project chief for Vinh Phu, as the project actually is called. Bai Bang is the name of the village where the paper plant is located and Vinh Phu is the name of the province that also includes the large forest regions.

Bahrke is employed by SIDA as a consultant, along with the Scanmanagement Company. This past week Bahrke informed parliament and various organizations about the current status of the project. On Wednesday the press had its turn.

Shocking

Recently, the contents of a report taken by Foreign Minister Bodstrom to Vietnam early this year were made public. Bodstrom met with government representatives and discussed the conditions of continued Swedish support for the Vinh Phu project. Shocking information on the situation of forest workers came out at that time.

The current agreement expires this May. At that time, the project will have cost 2 billion kronor. In order for the costs and expenditures of the project to be covered, the Bai Bang plant must achieve half of its production capacity by 1989. Last year, the plant produced 18,000 tons of paper and 20,000 tons of bleached pulp, which corresponds to one third of full capacity.

The Vietnamese cannot take responsibility for operating the plant today. The project leadership believes that a realistic estimate is that this could occur only in 5 years and after an additional 500 million Swedish kronor has been invested.

The Problem

In April, the SIDA board will make recommendations to the government concerning what should be done. The problems involving the paper plant seem to be manageable. SIDA is planning a 5-year support program totaling about 350 million kronor.

The real problem is in the forests. SIDA probably will recommend a 1-year agreement for about 50 million kronor. The goal is to pressure the Vietnamese authorities into making improvements.

Paralyzed By Bureaucracy

In Hanoi, Foreign Minister Bodstrom said that continued Swedish support was contingent on improvements in three areas.

The project is now under the control of four different Vietnamese ministries and some of the work has been paralyzed by bureaucracy. SIDA wants the Vietnamese to coordinate all questions concerning Vinh Phu within the government. Layoffs of personnel must become possible. According to Bahrke, there are now about 2,800 employees in Bai Bang and 17,000 in the forests. Half that number would be a reasonable figure.

The project leadership must have access to aerial photographs of forest regions to make resource management possible.

Living conditions for forestry workers, most of whom are women, must be improved significantly. The women are now forcibly recruited to live in jungle huts and, basically, cut wood until they retire. In addition, their wages are so low that they are too little to live on.

Scammanagement is involved primarily with production questions and believes it should not be involved in the living conditions of workers, according to Bahrke.

"Of course, we will take care of shoes, mosquito nets, sanitary napkins, and such practical necessities, but these are just "cosmetic" changes. The serious issues of wages and the degree of coercion in the forests are not our business," Bahrke said.

Long Way

SIDA's deputy director Bo Goransson said that negotiations and contacts were now underway at various levels between Swedish and Vietnamese authorities.

"We are demanding action in these three areas. In the worst case, we will recommend that the government not sign a new agreement, but begin negotiations at the government level. In the best case, the Vietnamese will take the steps we believe necessary and the Swedish government will not be formally involved again," Goransson said.

Last week a telex message arrived at the Vietnamese Embassy in Stockholm stating that SIDA would have access to the aerial photos that are one of the requirements for continued Swedish involvement. But in Hanoi the Swedes have not been informed of this measure.

The road to a new agreement in April seems to be long.

9336

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POLITICAL

SWEDEN

SDP ELECTION WIN SEEN RESULTING IN NEW DEFENSE, FOREIGN MINISTERS

Stockholm DAGENS NYHETER in Swedish 27 Feb 85 p 6

[Article by Ake Ekdahl]

[Text] Prime Minister Olof Palme will be forced to rearrange his cabinet quickly this fall if he wins the elections. His most difficult problem will be filling the gap left by Defense Minister Anders Thunborg, who has announced that he wants to return to international assignments.

Even after the 1982 elections when Palme appointed the first cabinet entirely of his own choosing, the position of defense minister was a serious problem. It is believed that Palme's third defense minister will be the present undersecretary of the Cabinet Office, Ulf Larsson. In that case, Palme would be forced to release his closest coworker and take on a defense minister with sound expertise from previous defense studies and a former undersecretary at the Defense Ministry under Eric Holmquist.

The political significance of the defense minister has increased because of events related to security policy in recent years and in the spring of 1987 the government will present a proposal for a new defense resolution covering the following 5 years.

Other possible defense ministers that have been mentioned in government circles are present cabinet minister Roine Carlsson and Communications Minister Curt Bostrom.

Roine Carlsson will soon finish his present assignment, putting the state-owned industries in order, and there is a shortage of work at the Industry Ministry, which has no fewer than three cabinet-level officials. In addition, having an old union man at the Defense Ministry is seen as politically advantageous.

The next empty seat at the cabinet table will be that of Housing Minister Hans Gustafsson. He is being sought as governor of both Vasteras and his place of birth Kristianstad, since Lennart Sandgren left Scania and moved to Stockholm. The original idea was that present Foreign Minister Lennart Bodstrom would be convinced to take the governor's post in the capital city. The local Social Democratic chief in Stockholm, Social Minister Sten Andersson,

attempted to convince Bodstrom to take the job.

If there should be a change at the Foreign Ministry, as well, present Foreign Trade Minister Mats Hellstrom is the most likely candidate.

"Half Return"

If the nonsocialists should win the elections this fall and form their third three-party coalition government, then half of the old nonsocialist cabinet ministers would return. The others have disappeared and taken other jobs or have become too old.

There are certain questions concerning a new nonsocialist government: which parties would be included, how many seats in the cabinet would each party have, how would the cabinet positions be distributed, etc.

Given

Only when this puzzle is solved can we begin to think about which individuals will fill which jobs. Even now, however, the parties can point to several people whose presence in a new nonsocialist three-party coalition is a "given."

They include Thorbjorn Falldin, Olof Johansson, and Karin Soder from the Center Party, Bengt Westerberg, Jan-Erik Wikstrom, Birgit Friggebo, Ingemar Eliasson, and Bjorn Molin of the Liberal Party, and Ulf Adelsohn, Lars Tobisson, Carl Bildt, and Staffan Burenstam Linder of the Conservative Party.

Of these, Westerberg, Tobisson, and Bildt are new. The Conservatives, who can be expected to claim the largest share of cabinet positions, have only two cabinet members from previous governments, but have a long list of suitable candidates.

The Center Party, with some uncertainty, can point to former cabinet members such as Anders Dahlgren and Nils G. Asling. Dahlgren was agriculture minister, but he is now vice-president of parliament and may wish to keep this position. Asling has established himself as a banker and agricultural coop boss. Both will certainly come if Falldin calls.

The Conservatives have a parliamentary president problem of their own. First vice-president Ingegerd Troedsson could lay claim to the presidency if the nonsocialists win a majority in parliament and there are many Conservatives who believe it was a mistake to let a Social Democrat remain as president last time. At that time, Henry Allard was accepted by the nonsocialists, but the present president, Ingemund Bengtsson, does not possess the same impartiality and must be removed, Conservatives say.

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POLITICAL

SWEDEN

EXPERTS FROM SEVERAL FIELDS IN BOOK ON SECURITY POLICY

Stockholm SVENSKA DAGBLADET in Swedish 8 Mar 85 p 3

[Article by Mats Ekeblom, head of division in the National Swedish Board of Economic Defense: "Do We Have the Wrong Defense?"]

[Text] Review of a new book entitled "Tio debattinlägg om svensk sakerhetspolitik" [Ten Discussions About Swedish Security Policy] published for People and Defense by Kalmar 1985, price about 60 kronor.

The assumptions for our traditional neutrality policy have worsened and our defense is incorrectly shaped. That is the gist of "Tio debattinlägg om svensk sakerhetspolitik" [Ten Discussions About Swedish Security Policy]--a book published for the Central Association of People and Defense on the initiative of the 1984 Defense Committee. It is a successor to the previous Defense Committee's "Elva asikter om svensk sakerhetspolitik" [Eleven Views on Swedish Security Policy].

Besides the usual debaters of defense issues such as Inga Thorsson, Lars Angstrom, Kjell Goldmann and Wilhelm Agrell, there are also the thoughts of Ingemar Stahl, a number of ambassadors and others who have long been deeply interested in Sweden's security policy in the book's 160 pages.

The book is relatively easy to read and contains a great many facts. It is noted that it really is a documentation of a training session held for the Defense Committee in October 1984. It is not a book by experts for experts, and it is not a simple pamphlet such as the peace movement and military public relations people often put out. The book is excellent for colleges, high schools, study groups and others who want to acquaint themselves with new thoughts about militarists and pacifists--even though there are a few very theorized sections. The most interesting thing about the book is that none of the authors really believe that we have an appropriately shaped defense.

Our versatile economics professor Ingemar Stahl is responsible, I believe, for one of the more thoughtful sections of the book. Against the background of his general economic theories and his experience in FOA [National Defense

Research Institute] and the Defense Department 1962-1968 he asks whether the Defense Committee is really confronted with a hopeless task.

The military structure and its establishment is so strong that the system is not really manageable. The war organization and its capabilities--which should be primarily for the activities of defense--are always in the deletion class. The money always disappears to other things, and ambitious plans run out in the sand when they should be carried out.

Stahl also has a skeptical attitude toward the attack case which dominates Swedish defense planning.

"A defense policy aimed at meeting large invasions in connection with a major European conflict can easily be absurd and dangerous if the objective of defense against invasion overlooks conflicts on a considerably lower level or contributes to tying up resources which would be needed for meeting different crises. The latest years clearly illustrate this problem," writes Stahl. "It appears that concepts such as crisis management and gray zones between war and peace have been overlooked in planning aimed at meeting major invasion attempts."

Similar conclusions--although based on other assumptions--are drawn by Wilhelm Agrell, who perhaps most of all during the latest 10-year period has contributed to vitalizing the Swedish defense debate. He believes that because of developments during recent years, the 1984 Defense Committee is the defense committee which confronts the greatest difficulties.

Agrell does not favor disarmament. He wants us to look behind the lofty security policy rhetoric and restructure our defense efforts. Increased military investments are not a universal solution--Agrell believes--but it is "nevertheless obvious that this is no time for disarmament."

The shortcoming of this debate book--as in the security policy debate for the most part--is that other aspects than the purely military are dealt with very sparsely. Docent Karl E. Birnbaum is an exception. He argues briefly but convincingly that foreign policy must be assigned increased importance in the formation of Swedish security policy.

Ingemar Stahl writes little and superficially about a long blockade--and mainly against the background of farmers using this crisis as a motive for a strong expansion and overproduction.

Stahl probably does not recognize that within the government and among responsible authorities there is discussion about how long security policy crises without war in our vicinity can endure, and what demands that will place on Swedish security policy. In the discussion the word "blockade" is not used. The reasoning is considerably more nuanced than that. It is unfortunate that the Defense Committee did not try to bring these aspects into an otherwise interesting book.

9287

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POLITICAL

SWEDEN

PAPER RESUMES CRITICISM OF VIETNAM AID PROJECT

Stockholm SVENSKA DAGBLADET in Swedish 1 Mar 85 p 2

[Editorial: "A Jungle Saga"]

[Text] Large investments have been made in Bai Bang, the paper industry in Vietnam which was planned as the flagship of Swedish foreign aid, or rather the show-window. The taxpayers have invested many hundreds of millions. Our political and bureaucratic foreign aid establishment has put so much of their own moral savings into the project that with understandably lofty bitterness they defend themselves against any suggestion that it is a gigantic speculation gone wrong.

When it was reported not long ago that the raw material supplies were being arranged through the use of forced labor, we recall that this was commented on by Minister Roine Carlsson in such an unprecedented and insensitive way that his normal economy of expression seemed highly motivated.

Now the leaders of the project report that conditions are improved, and will perhaps be improved even more. Clearly there was something in the criticism. More specifically, women in the forest have access to "mosquito nets and medical supplies, etc." Newspaper readers may decide from this whether they should laugh or cry. Those who despite the threat of severe punishment are considering whether to flee from forced labor are finding it easy not to laugh.

Concerning the hard economic realities, the factory itself reports very interesting figures.

Production is currently one-third or somewhat more of capacity, which can now mean--20,000 tons of paper of the planned, expected, possible or dreamed of 55,000. It is easy to see that SIDA [Swedish International Development Authority] and the government and the project leaders can easily drastically increase the rate of utilization by reducing the bookkeeping entries, which of course still lack any semblance of any observable reality.

The one-third is brought about, on the other hand, according to the leaders of the project, by a work force which is twice the size that it should be. It is

not especially surprising that the workers under such conditions, according to the leadership of the firm, can not support themselves with what they earn in the showcase factory.

How long will this foolishness be allowed to continue? Sacred cows--or white elephants--are certainly worth a reasonable price, even a high one. But not regardless of how high, or how long.

9287

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POLITICAL

TURKEY

RESIGNATIONS ROCK SUNALP'S NATIONAL DEMOCRACY PARTY

Istanbul CUMHURIYET in Turkish 27 Feb 85 p 7

[Text] Ankara (CUMHURIYET BUREAU) - The party resignations were placed on the agenda for the first time yesterday in the NDP [Nationalist Democracy Party] Group, and General Chairman Turgut Sunalp was harshly criticized.

In response, Turgut Sunalp said, "Friends, let us bring this matter to a conclusion. I will be holding a press conference on Friday. And I am going to announce that we have unity and cohesion."

Elections were held in the group for deputy assembly speaker, deputy group chairman and group executive board members, after which deputy chairman Ali Bozer was in the act of announcing the "agenda is cleared" when Hilmi Bicer jumped to his feet saying, "Just a minute, Mr Chairman, just a minute," and, requesting the floor, strode to the podium. In reference to the resignations, Hilmi Bicer shouted, "Friends, there are mass resignations from our party. We are chewing our fingernails in worry. No one is coming in here asking where these colleagues are going, what we should do about it or how we should get them back, and we are holding group elections as if nothing had happened. What is this, friends?" He then left the podium and exited the room.

After this outburst, it was decided to discuss the resignations. The first speaker was Istanbul Deputy Dogan Kasaroglu. In reference to General Chairman Turgut Sunalp's mistakes in running the party and its public image, Kasaroglu said, in summary: "It is impossible not to be concerned about these resignations. We cannot hold on to our members. There is probably some misdiagnosis of events. If you make a wrong diagnosis, you provide the wrong treatment. And you will end up with the wrong outcome. Our colleagues have resigned because of interparty discontent, not because they think different from the general chairman or the party administration. There has been discontent within the party for a year. We have been floundering for a year, saying, 'Let us set a party strategy.' We have not made the slightest headway. The 26, that is, our party colleagues who signed their names, told us that they were doing this to rid the party of the current discontent. But not just to remove the discontent, but they hoped, in pointing out that certain people in administration were harming the party, to have them replaced democratically. But, you know, elections have been held and the same people were elected. Our colleague Kamran Inan talked beforehand with the signatories and Vecihi Akin, Arif Atalay and Mahmut Altunakar and got promises from

them. According to what our colleague Kamran Inan said, these members gave their word that they would resign 24 hours later if they were elected. But the elections are over. We see that no one has budged from his seat so far.

"As for the resignations, the distinguished general chairman said about the members who resigned that it tightened up the party. Now I would ask whether Mr Galip Deniz's newspaper reports are tightening up the party."

Deputy general chairman Vecihi Akin next took the podium and said, "I did not promise to resign after the elections. I want this to be known."

Another deputy general chairman, Arif Atalay, without mentioning promises, said, "I did not say anything about combining with the CWP [Correct Way Party]. All I said was that it would be useful for the right to get together in the broadest sense," and stepped down from the podium.

General Chairman Turgut Sunalp came to the podium after these speeches and, reading a letter of resignation, pointed out that it was necessary that the party be hurt no further. "This matter must now be concluded here. I am going to hold a press conference to assert our unity and cohesion. This will be done on Friday. For that reason, let us close the resignation matter and the resignation problem," he said. Interestingly, he did not offer a harsh response to the criticisms. Since it was seen that many more deputies wanted to speak, it was decided to hold a group meeting today to discuss the matter, and the meeting was adjourned.

NDP General Chairman Sunalp said in answer to an ANKARA AGENCY correspondent's question before yesterday's group meeting, "It does seem that a plan for a counter movement in our party has been initiated and is in progress. I have my own tasks vis-a-vis developments. My primary duty is to deal with the party. This is what I am doing."

8349

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POLITICAL

TURKEY

PP'S CANVER ON SELECTIVE AMNESTY FOR FORMER POLITICIANS

Istanbul CUMHURIYET in Turkish 27 Feb 85 p 7

[Text] Ankara (CUMHURIYET BUREAU) - Following debate in the Populist Party [PP] assembly group of the status of former politicians, Adana Deputy Cuneyt Canver spoke off the agenda, saying that skillful politicians were not all that easy to come by. "The only thing we can do for all the former politicians is to refuse to hold their funerals in the TGNA [Turkish Grand National Assembly]," he said.

The status of former politicians was discussed in the PP Group meeting held yesterday. Amasya Deputy Kazim Ipek spoke first and denounced the former politicians, saying he was sorry to see people stand up for them and be aggressive in this respect. "How time and ambition cause one to forget everything," he said.

Adana Deputy Cuneyt Canver took the podium to respond to Ipek and said that it was not fair to take advantage of the situation of the former politicians to speak ill of them. Indicating that it was wrong also to denounce all the politicians, Canver asked, "Will we not become former?" He said that everything old could not be denounced and rolled up in one ball. "What has to be done now is to lift the political ban on these people if at all possible. This is what I think," Cuneyt Canver said.

Istanbul Deputy Sabit Batumlu spoke after Canver. He said it was extremely wrong to denounce the former politicians in all respects.

PP Adana Deputy Cuneyt Canver spoke off the agenda following his speech in the group and returned to the same topic. He called for expansion of the exercise of democratic rights and freedoms and said, "The Assembly must now exercise its full constitutional powers. If there is no participation, democracy does not flourish. And the entrenchment of social peace is made difficult."

Speaking of democracy as a regime in which discipline is compatible with freedom, Cuneyt Canver called to mind that it is principally the job of the party in power to enable restoration of true democracy.

In this later speech, Canver continued:

"It is necessary to make extremely serious efforts on matters such as, in particular, the general amnesty, those harmed by Law No 1402 [Martial Law Act], the constitutional political ban on unions and professional organizations, laws prohibiting democratic participation such as the electoral law, incidents of torture and the ban on political activity by former politicians.

"In my opinion, there is a special reason to place the ban on political activity by former politicians on the agenda. My brief parliamentary experience has taught me this: Skillful politicians are not easy to come by in this country. Undoubtedly, there may have been criminal politicians in the past. And, just as there may be some among us in the future, they, too, will be punished. However, if barring the entire medical profession from practice because of the malpractice of one doctor is incomprehensible, then, by the same token, it is not right to ban all former politicians.

"Let them be and let us learn from them. The only thing we can do for the former politicians who, right or wrong, have struggled for democracy is to refuse to hold their funerals in the TGNA."

Canver was applauded by many deputies in the Assembly for this speech.

8349

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MILITARY

EUROPEAN AFFAIRS

BALTIC SEA-APPROACHES COMMANDER REVIEWS AREA NAVAL SITUATION

Koblenz MARINE-RUNDSCHAU in German Feb 85 pp 2-10

[Article by Vice Adm Helmut Kampe, Commander and DDO COMNAVBALTAP]

[Text] In this column prominent personalities from politics, the armed forces, the economy, engineering and science regularly comment on current questions in their fields. This article was made available to us by the Commander, Allied Naval Forces Baltic Approaches.

The area of the Baltic approaches has long been an area of great economic and military importance. As so frequently in its history, this area, which constitutes a link between Central Europe and Scandinavia, also controls the approaches to and exits from the Baltic, a strategic key position in the present constellation of world forces. This is the result now especially of the geographic asymmetry and the overlapping force fields of the two great alliance systems, the North Atlantic Alliance and the Warsaw Pact.

Both alliances have fundamentally different geostrategic assumptions: on the one side, the continental central power Soviet Union which is territorially directly linked with its allies, on the other side, the North Atlantic Alliance in which the North American alliance potential is at a distance of over 6000 km from the European partners. Moreover, the European coastal, peninsula and island countries not only lack spatial depth, but they also offer numerous areas of attack for the Soviet naval power along the coasts and along the maritime lines of communications.

This applies especially to the area of the European north flank, whose sea area comprises the Baltic Sea, the North Sea, the Norwegian Sea, the Greenland Sea and the Barents Sea. At a length of 2000 nautical miles and a width of up to 1000 nautical miles, it lies like a deadbolt between the Soviet naval bases and the Atlantic. In the north, the Soviet Northern Fleet possesses a number of ice-free bases on the Kola Peninsula, but the climatic and weather conditions temporarily considerably restrict the freedom of maneuver of even surface forces. The limited repair possibilities for surface combatants constitute a further restriction. In the south, the Baltic forms a sea flank for the Warsaw Pact of about 1000 nautical miles. The Soviet Union, Poland and the GDR do possess efficient bases here and a considerable shipbuilding and repair

capacity, but the Baltic approaches of the straits and of the belts provide NATO with the possibility for constant control and, in wartime, for blockade of this sea area.

While Northern Norway, peripheral from a Central European view, is of special importance for the nuclear strategic Soviet submarines stationed at the Kola Peninsula and operating primarily in the Barents Sea, but also for the Soviet naval power reaching out over the Norwegian Sea, the area of the Baltic approaches is important for the Central European northern flank and the Norwegian southern flank. After opening up the Baltic exits, the strong Warsaw Pact surface forces stationed in the Baltic would be able to expand their operations to the North Sea and Norwegian Sea and to support the actions of the Northern Fleet directed against NATO's Atlantic lines of communication. Naval warfare aimed at interfering effectively and continuously with the supply routes to Europe in the Atlantic and its seas bordering Northern Europe makes it necessary for the Warsaw Pact to be able to use, in addition to the Arctic fleet, also the naval warfare potential of its Baltic fleets and their bases.

Conquest of the area of the Baltic approaches would be not only of naval strategic importance, at the same time it would create the preconditions for a strong threat to the flanks of the Central European continental front as well as Norway's and would, in addition, offer advanced bases to the Warsaw Pact air forces for attack operations against these front areas, the supply ports in the English Channel and Great Britain. Thus the control over the Baltic exits must be a priority strategic target for the Soviet Union.

Therefore, it is a principal mission of the naval and naval-air forces in the NATO Command Area Baltic Approaches to protect the territory of the FRG and Denmark by the defense against attacks on the coasts, to guarantee the safe deployment of reinforcements in this area and thus to make an essential contribution to holding on to the Baltic approaches.

Threat

A threat analysis that is as correct as possible is an indispensable basis for the military and security-policy assessment of the situation. Information in this field is difficult to obtain, the findings frequently remain incomplete and offer room for interpretations. In the case of the naval forces which frequently operate in international waters, the situation is different. Here extensive findings are available and thus it is not surprising that the threat analysis largely coincides: during the past 15 years, the Soviet navy has grown rapidly and continues to grow, it has become stronger and today represents a serious threat to the West.

Nevertheless there are threat assessments that distort the situation. One of them is the recently issued threat analysis by von Buelow, the SPD Bundestag deputy and former parliamentary state secretary in the Federal Ministry of Defense. It is the thesis of this study that NATO—even in conventional armament—is considerably stronger than in its self-portrayals. In doing so, this analysis distorts the threat on the part of the Warsaw Pact naval forces in a number of points. Thus:

--the weakness of the sea-based Soviet naval aircraft is pointed out; however, the land-based naval air forces, including the modern "Backfire" bombers, the most combat-effective component of the Soviet Navy aside from the submarine weapon, are completely withheld;

--the NATO superiority for landings on foreign coasts is stressed while the sole Warsaw Pact capability for such landings in the Baltic is not mentioned;

--Warsaw Pact weaknesses, the greater noise level of the Soviet submarines in comparison with the Western nuclear-powered submarines, are exaggerated;

--a false impression is created with correct statements, such as "the Soviet Union does not stand a chance to interrupt the United States-Europe maritime links." For the Soviet Union does not have to "cut" these lines of communication as it is stated somewhere else; it suffices to sink important shipping space to seriously hamper NATO's conventional defensive capability in Europe.

In fact, the maritime ratio of power between East and West has shifted to the disadvantage of the West since the founding of NATO. Even though it is incomplete, to make a comparison of strength merely on the basis of the number of ships, the development of the numerical ratio conveys an impression of the changes that have occurred. While the ratio in 1949 was still 3 : 1 in favor of NATO, 15 years ago it was about 2 : 1 and now it is around 1 : 1. NATO continues to have a 2 : 1 superiority as regards ship's tonnage but the Warsaw Pact has considerably caught up here in recent years. Overall the new Soviet ships have a clear tendency towards larger tonnage. In the North Atlantic and the seas bordering Europe, among the big surface combatants, between 1971 and 1983 the number of ships in NATO declined from 431 to 345, while in the Warsaw Pact the number increased from 171 to 233.

Examples from history show that keeping sea-lanes open requires far more extensive means than interrupting them. Moreover, the maritime potential of the Warsaw Pact are largely freely disposable offensive forces which are not needed in a state of tension or war for the protection of its own sea lines of communication. Overall it is an instrument that can be committed by the Soviet leadership without weakening its own defensive capability against the geographically and structurally caused NATO weak spots and here especially of the European member states.

In this process, the capability of the Soviet navy to be able to carry out naval operations over great distances is occasionally overestimated. True, a number of ships are suitable to demonstrate Soviet naval power overseas during peacetime, however under wartime conditions the capabilities for oceanic operations are limited. The number of ships suitable for such operations is still small, the approach to the world's oceans is long and in the Atlantic area leads through the straits and sea areas controlled by the West. Logistic support of naval operations continues to be a weak point of Soviet naval power. Overseas there is a shortage of technically efficient allies as well as bases, but what is especially lacking is an adequate number of modern, fast resupply ships to be able to support the combat units over a prolonged period without operational impediments. The support of merchant ships suitable for such supply comprises considerable risks following outbreak of hostilities.

In the North Atlantic, there is still a shortage of adequate support for their own air defense forces. While the 43,000-ton Kiev-class aircraft carriers possess a measure of air support capacity, the geostrategic situation with NATO airbases in Norway, Scotland and on Iceland and the capabilities of U.S. and British aircraft carriers restrict the operational possibilities of the Kiev class. Thus the operational value of these ships is to be seen especially in the fact that, when used at the limits of [the Warsaw Pact's] own land-based fighters, the latter can be relieved of their expensive air defense assignments and thus can supplement and expand the operational range to fight NATO naval forces to the West and southwest.

The situation in the north flank area is especially characterized by the already mentioned unfavorable development of the ratio of forces, whose causes can be found on the one hand in the strengthening of the Soviet potential, on the other hand in the weakening of the Western actual strength caused by reductions but also in the tying down of U.S. and British armed forces outside the NATO area. In the 50's and 60's, the clear maritime superiority of NATO in the Norwegian Sea and in the North Sea was still the guarantee for assured deployment of the reinforcements needed for North Europe's defense. Today these reinforcements must be protected against a strong Soviet surface and submarine threat and against naval air forces and the area itself must be defended against an amphibious threat that then had not existed.

The latter applies especially to the Baltic. Here the amphibious threat comes not only from the Soviet navy but also from the Polish and GDR navies. Over 50 percent of the Warsaw Pact's amphibious tonnage is concentrated in the Baltic. That is, in view of the otherwise balanced structure of the four Soviet fleets, a clearly critical area and an indication of the importance assigned to this clearly offensive mission in this sea area. Especially noteworthy is the fact that about one third of the total tonnage of the Polish naval warfare fleet--otherwise especially oriented towards inshore waters tasks--and of the GDR navy is amphibious tonnage.

With about 40 big and 300 smaller surface combatants, with 30 submarines and 120 attack aircraft, the scale of the Soviet Baltic fleet has remained pretty much unchanged. This scale, but also the composition of the Baltic fleet, permits the conclusion that the missions assigned to these fleets lie not only in the Baltic. A number of ships are capable of deep-sea operation and probably are even better suited for use in the open seas than in the narrow Baltic Sea area. But also the new generation of smaller combatants also possesses seaworthiness which definitely permits the use in the Atlantic seas bordering the North Sea and the Norwegian Sea.

The Baltic Fleet submarines are all diesel-propelled. The submarines equipped with intermediate-range missiles and cruise missiles can be used in the Baltic, but the target options of the cruise missiles would be considerably greater outside the Baltic. NATO hardly offers any worthwhile targets in the Baltic for the attack submarines. Moreover, the water depth in the western Baltic impedes operations of submarines of the size that the Soviets possess. Thus the areas of employment of these submarines are likely to be mainly outside the Baltic.

Finally, the Soviet naval aviators belong in this context. Their bombers, but also the modern fighters, possess a radius of action which, in the North Sea, for the Backfire bombers even far beyond that, reaches up to the Norwegian Sea and covers Great Britain and the Channel ports.

This potential is supplemented by the naval and naval-air forces of the two other Warsaw Pact Baltic navies. The GDR navy, in terms of ship inventory, is the most modern in the entire Baltic area; it is in a constant replacement process and has a generally good training level. The Polish navy started last year again to replace its largely outdated material. It is noteworthy that both navies are now equipped with the modern "Tarantul"-class missile corvettes. With 580-ton water displacement and modern ship-to-ship and ship-to-air missile weapons, these close-to-40-knot corvettes can also be employed in the seas bordering Northern Europe outside the Baltic. Thus in the Polish and GDR navies, the same trend can be noted as in the Soviet navy of replacing old ships by larger more combat-effective ones with greater endurance at sea and better seaworthiness.

In developing the navy, the Soviet Union since the 60's has definitely followed ways of its own, largely independent of Western developments. In doing so, it was and is ahead of the Western navies in some fields in terms of shipbuilding and weapons technology. In the shipbuilding field, this applies to hovercraft and hydrofoils, in the field of weapons technology to ship-to-ship missiles and air defense weapons but also to a special project such as the ground-effect aircraft. Different from the West, where the technically possible frequently cannot be achieved on account of the limited available funds, in the Soviet Union the quality of the naval forces is determined by developmental and production limits. Qualitatively the Warsaw Pact naval and naval-air forces are definitely on a level comparable to that of the West.

Own Situation

The NATO naval and naval-air forces in the Baltic are faced with an about four-fold superiority of the Warsaw Pact. Even though part of the Warsaw Pact forces are in a lower state of readiness or reserve status, it must be assumed that they are operational to start an attack. Since the Soviet Union can determine this time, it is absolutely necessary for the Danish and German navies to maintain the naval and naval-air forces in a state of readiness and training that makes possible immediate reaction to an attack and fulfillment of their own mission.

The NATO armed forces, in terms of organization and training, are oriented towards fulfillment of the two principal missions, defense of the Baltic Sea exits against Warsaw Pact attacks and protection of the reinforcement and of the resupply in the North Sea. These are clear, limited tasks.

The Federal Navy has been largely able to maintain its structure and numerical strength in past years. In the area of the larger combatants, the 6 Fletcher-class destroyers and 3 Koeln-class frigates however could only be replaced at a ratio of 2 for 3. This has led to a weakening of our contribution to the protection of the maritime lines of communications precisely at a time when the

U.S. Navy, in the interest of the West, had to assume more tasks outside the NATO treaty area and a stronger German contribution within the NATO area would have brought about a measure of relief in the north flank area. However, the newly introduced weapons systems have led to improvements especially in the following areas:

--Among the weapons, missiles have replaced artillery and torpedoes as main weapons systems on surface ships but also bombs for navy fighter bombers. Some ground could be made good in relation to the great lead of the Warsaw Pact in this field.

--The demand of the missile weapons with considerably greater range for improved reactivity and reconnaissance could be met with data processing command information systems in subareas. A further necessary step in this field will take place with the planned reequipment of the "Sea King" helicopter.

--New mines about to be delivered have enhanced the effectiveness of this weapon so important to the defense of our coasts.

--The fitness for use of the fast patrol boats and naval fighter bombers could be raised by improved seaworthiness and all-weather capability.

Our weaknesses remain especially in the following:

--The obsolescence of numerous ships, especially in the mine countermeasures forces but also the remaining Koeln-class frigates, which are the oldest ships of this category in the entire northern flank area.

--The outside air dependence of our submarines in the Baltic Sea operations area.

--The vulnerability of the naval aviators at their airfields until the "Roland" and "Patriot" air defense systems will be available.

--The inadequate air defense capability of the floating units, especially with regard to close-in air defense.

--Our limited capability in the electronic defense and deception measures in which the Warsaw Pact is superior to us with, in part, simpler means and equipment.

That is a not too favorable picture even taking into account the fact that part of the measures required to overcome these weaknesses have already been instituted.

The situation of the Danish navy is even worse. For years it has been in a process of quantitative reduction and in broad fields in a condition of obsolescence.

Already last year Defense Minister Hans Engell mentioned that within the next 7 years no less than 31 ships must be replaced or must be put in condition by

measures to extend their lives to be able to continue their mission. In fact the defense agreement made in June 1984 between the four government parties and the Social Democratic Party for 1985 to 1987 only provides for the replacement of a small transport vessel, for exchanging two old submarines for three loan submarines and modernizing four minelayers. One minelayer will be decommissioned. The two frigates of the Peder Skram class are to be put in reserve status in 1987 with the intention of decommissioning them. That remains far behind what would be necessary to maintain the combat effectiveness and necessarily entails that a considerable part of the Danish naval forces will soon be completely obsolete.

Tasks of the Naval and Naval Air Forces

The strategic goal determines the tasks of the armed forces while the geographic facts and the constellation of forces provide the framework for fulfillment of the mission. In the area of the Baltic approaches and the Baltic Sea, as in the Central European region, the inadequate depth of NATO's own area and the high vulnerability of the population centers caused by that fact necessitates forward defense. The long but narrow Baltic Sea does permit using the maritime area in front of our own coast in great depth but sets narrow limits to the broad spatial unfolding of naval forces. On account of the proximity of the coasts and airfields, the Baltic Sea, as hardly any other field of maritime operations, is characterized by short warning and reaction times.

From these spatial facts, the ratio of forces and because the enemy starting the attack will have the initiative, a series of requirements to be taken into account are derived for defense planning, such as

--Forward defense

--Survivability

--Rapid reactivity

The most important requirement and at the same time principle for our operations planning is the forward defense. It can take advantage of the depth of the area and the diversity of the naval warfare means:

With the naval fighter bombers of the German naval air forces, the submarines, the missile or torpedo-carrying surface forces, the defensive and anti-invasion mine fields as well as the Danish coastal batteries, we possess means in the Baltic Sea for a defense concept utilizing the depth of the area.

It does not permit the enemy to concentrate on only one defensive means but forces him to adjust his forces against completely different hazards. In this connection it happens frequently that an optimal deployment of forces or formation against one specific threat entails disadvantages towards another type of threat.

The narrow width of the Baltic in the middle and western part excludes the possibility of outflanking our defensive forces. In this connection, NATO of

course starts from the assumption of absolute heeding of the territorial rights of neutral states. With a measure of worry it is being observed how the Soviet Union violates already in peacetime Swedish territorial rights under water as well as in the air without the Swedish armed forces being able to take effective countermeasures.

Overall the NATO naval forces in the area of the Baltic Sea approaches are still able to fulfill their difficult mission. The continuing reduction and obsolescence of the Danish naval forces however makes maintenance of the forward defense in the Baltic increasingly difficult.

The German navy, which now provides 70 percent of the naval forces and nearly 100 percent of the naval air forces of NATO in the Baltic, is unable to assume any further missions on account of the tasks in the North Sea and also because of the difficult financial situation as well as the manpower problems. Thus in the area of the Baltic Sea approaches, instead of the aimed-for improvement of the conventional defense capability, there emerges a worsening of it.

This is a development that affects not only the security situation in the two NATO states directly affected by it. It has repercussions on other alliance partners, especially Norway and Great Britain, but is also being attentively watched in the neutral Scandinavian states of Sweden and Finland.

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MILITARY

DENMARK

SDP DEFENSE, SPOKESMAN: LEASING POOR SOLUTION TO ARMS BUDGET

Copenhagen AKTUELT in Danish 19 Feb 85 p 7

[Article by "em": "Leasing of Weapons Not the Thing for Defense"]

[Text] The military cannot escape its problems by renting weapons instead of buying them as is now the case.

So says Social Democratic defense spokesman Knud Damgaard in reference to statements made by Defense Minister Hans Engell (conservative), who is just back from a dressing down from NATO commander in chief General Bernard Rogers. The general wants Denmark to spend more than the 12 billion kroner now being spent on defense.

Hans Engell thinks that leasing can be the answer to maintaining the present forces with an advanced defense in the Baltic and local defenses on the land, while at the same time replacing materiel on an ongoing basis with more advanced and expensive equipment.

Knud Damgaard rejects this idea: "Leasing instead of buying is reasonable only if we can see that a particular type of weapon will be obsolete in a few years. For example, it is crazy to spend three billion kroner on new submarines when we can see that the weapon will become obsolete very soon, in the Baltic in any case. We have rented Hawk rockets for the same reason.

"If it is a case of advanced weapons with a built-in future, then we would rather buy and let Danish industry get a part of the production. This both increases knowledge and employment."

12819

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MILITARY

FEDERAL REPUBLIC OF GERMANY

DETAILS OF CDU/CSU'S PART-TIME RESERVIST PROPOSAL

Bonn LOYAL in German Feb 85 pp 24-25

[Article by Inge Dose-Krohn: "Part-Time Soldiers"]

[Text] Troops on active duty must be made more aware than in the past of the importance of reservists for FRG defense readiness and defense capability. They must be fully included in the working routine of active associations, and this subject must also be included at all levels of training of the military leadership. Training for use in case of mobilization must be a purposeful part of basic military service. The model of a part-time soldier must be taken into consideration, and the legal basis for a correspondingly new status must be created.

These are proposals from a catalogue of ideas for better training for reservists, which could easily provide practical solutions to this problem. The sound concept of a working team of the CDU/CSU parliamentary caucus could be of assistance, so that in the case of defense, operationally capable armed forces are really available.

Under the direction of CDU Member of Parliament Udo Ehrbar, in cooperation with the speaker of the party's work group on defense, Willy Wimmer, a position paper was prepared which, in the opinion of the president of the reservists' association, deserves the support of the entire parliament. Ehrbar and Wimmer--both members of the defense committee--base their concept on one fact: "The peacetime structure of the Federal Armed Forces is not a scaled-down mirror image of the wartime structure."

Of the 1.6 million reservists of planned operational strength, 1.1 million are supernumeraries who are not called up but are fit for and subject to military service. They do not have the necessary ATN prerequisites (certification of specialty training and assignment) and thus cannot make up the shortfall. If solutions are to be found without changing basic conditions, this is the place to start.

More attention must be given to the reservists' interests, and more recognition to the people themselves. Reservations about active reservists

must be reduced. This means better integration of the troops' work routine increases not only the effect of exercise, but also motivation. Second-rate treatment on the part of active duty soldiers and the Armed Forces Administration, and where security policy information is involved, do not exactly contribute to willingness to serve.

This subject must be made a part of training courses at academies for commanders and leaders, as well as of studies at the Armed Forces colleges. Awareness of the reserve status cannot be increased among the Armed Forces in any other way, the position paper states.

But all this is just not enough, as far as the working group is concerned. It has come up with proposals for improvement on the basis of changing the general basic conditions. And the "fathers" of the concept are convinced that they must be changed, if anything is to be accomplished.

The most significant proposal in their catalogue is the creation of "part-time soldiers." They could be recruited from among retired professional soldiers, retired extended-term volunteers, and of course, reservists. Their fields of duty would be personnel management, maintenance of materiel, preparation of training and exercises. During peacetime, more activity and training is expected in the reserve troops, as well as a strengthening of solidarity and internal structure. The position paper states verbatim:

--The model of a paid, part-time soldier means a new soldier status for the Armed Forces. The legal basis for it would have to be created.

--Structure and procedures could be based on the U.S. National Guard. After studying the necessary changes of the legal basis and status and career questions, the necessary military requirements need to be defined.

Above all, the parliamentary group of the Christian Union wants reserve leadership personnel taken into account. Their training is to be intensified, thus making more effective the training of all reserve units. In addition, voluntary commitment is to be required of reservists, "but then it is also to be promoted and made possible administratively."

Extending the period of availability to several years could stop the high fluctuation rate in this area. Lengthening the period would also create closer identification with the unit. Short exercises of 1 to 2 days' duration would be meaningful. They would bring about a higher level of training than participation in service functions.

The members of parliament also want to do away with military service injustices. In conjunction with a longer period of availability, it could be avoided that soldiers, barely returned to their careers, are called up again right away and thus suffer considerable disadvantages. It is proposed that there be no draft during the first year, but that the reservist be more available in the following years.

Other particular weak points are the short "standing time" [i.e., the time the reservist spends at his mobilization post] of six to eight years, lack of functional personnel, and rigid personnel management. The work group wants to eliminate them through the following structural changes:

- lengthening of the "standing time" to an average of 10 years;
- all peacetime training, despite the required presence, must also be carried out along the lines of the defense structure;
- a mobilized commander/chief, together with the scheduling office, must have direct influence on prior and detailed planning. Although this is time-intensive, it could be ensured personnel-wise, for example by using part-time soldiers in the reserve units.
- The training courses for non-commissioned officers must be attended and completed during the period of basic military service so that the reservist non-commissioned officer can be called up in this function immediately after his time of service.
- Reserve duty training periods of about 12 days in 2 years are to be changed to 6 days in any one year;
- In future, use and promotion of suitable reservists of all ranks is to be made more flexible.

It also calls for increasing the number of reservist training grounds, since more intensive training also requires more trainers.

Udo Ehrbar, Willy Wimmer and their work group also do not overlook the future base of a well-trained reservist potential.

This means in concrete terms:

The recruit serving his basic military service, in addition to his task in the present Armed Forces, must also be trained purposefully for mobilization use. If necessary, this must be done through retraining and corresponding placement during the last quarter of his service time.

And lastly, the Association of Reservists of the Armed Forces is also called upon. The question to be studied is whether unofficial training possibilities --in addition to its present tasks--can be created for it.

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MILITARY

FEDERAL REPUBLIC OF GERMANY

REVISED RESERVE STRUCTURE GAINS PARLIAMENTARY SUPPORT

Stress on Ready Reserve

Munich SUEDEDEUTSCHE ZEITUNG in German 26 Jan 85 p 6

/Article by Kurt Kister: "Hardthoehe Bets on Reservists; Defense Ministry Prepares Modification of Bundeswehr Structure"/

/Text/ Bonn, 25 January. In the Ministry of Defense preliminary work has begun to modify the organizational structure of the army in the 1990's. Some days ago Lt Gen Hans-Henning von Sandrart, Army Chief of Staff, outlined the basic plans in Bonn, pointing especially to the large role of reservists in the new concept. Sandrart's deputy, Lt Gen Heinz Kasch, stated in an interview with the SUEDEDEUTSCHE ZEITUNG that there would be no "new revolutionary structure." However, in view of the age groups with low birth rates, considerably greater dependence must be placed on prior service personnel, beginning with the end of this decade. At the Hardthoehe /FRG Defense Ministry/ the assumption is that in a few years between 350,000 and 400,000 reservists annually will be called up for military training with the new "Structure 90." (In 1982 108,000 reservists underwent such training.)

According to General Kasch this requires both a change in training organization and modifications in the structure of the territorial army that is designed to protect those areas of the FRG not yet directly affected by combat in a conflict situation. Changes are also in store for the field army, i.e., the troops designed for immediate forward defense. There are deliberations about introduction of light infantry to be trained for action in "difficult" terrain (i.e., forests, mountain, or urban areas). Such units could also consist largely of reservists who came from the areas they would be trained to defend.

General Kasch further indicated that the Defense Ministry was aware of possible difficulties with industry caused by increased callups of workers to military training. However, since the concepts for a new army are still far from concrete planning, there is ample time for agreements and consultations.

CDU/CSU Supports Reservist Concept

Munich SUEDEDEUTSCHE ZEITUNG in German 25 Jan 85 p 1

/Article by Bonn bureau: "Union Demands 'Part-time Soldiers'; New Reservist Concept of CDU/CSU Caucus is to Speed Mobilization"/

/Text/ According to estimates of the CDU/CSU Bundestag caucus, the Bundeswehr is currently not able to achieve its wartime strength of more than 1.2 million soldiers in case of mobilization with sufficient speed. For this reason deputies Willy Wimmer and Udo Ehrbar introduced a "reservist concept" on Thursday in Bonn, which calls for recruiting of part-time soldiers, "militia-type Bundeswehr units, as well as increased callup of reservists for short-term military exercises. The paper, said to be "in full accord" with the "political leadership" of the defense ministry, is, according to the deputies, expressly not a criticism of the Defense Ministry, but rather a description of an "existing situation." They complain that reservists in the Bundeswehr are not considered the "supporting pillar of defense" but rather merely as "fillers," and demand that a "reservist consciousness" be evoked in the public. The reservist organization, with its less than 100,000 members, welcomed the concepts. Its role would be strengthened according to the Union plan. In order to deploy the reservists close to home and to foster the home ties in general, the deputies recommended that home defense regiments be given "traditional names." For example, Ehrbar, who hails from Baden-Wuerttemberg, mentioned "Alt-Wuerttemberg" Home Defense Regiment; Wimmer, belonging to the Rhinish CDU, pleaded for the "Churfuerst Koeln" Home Defense Regiment.

The parttime soldiers are to take care of training and preparation for exercises within reserve units. They are primarily to be recruited from prior service and professional soldiers. Wimmer did not exclude to possibility that officers designated by the ministry as "early retirees" and labeled by Woerner as "granddaddies," could in such units earn an addition to their guaranteed pensions (70 percent of the latest pay). Generally the part-timesoldiers are to pursue a "civilian career" and be active in the reservist units on weekends, for example.

The American National Guard serves as a model. For example, former air force pilots there earn several thousand dollars annually for practicing with combat aircraft in the evenings or on weekends. The Luftwaffe Chief of Staff Eberhard Eimler is known to have for a long time considered the creation of the "reserve Luftwaffe." Instead of scrapping the replaced Starfighters or giving them free to allies, (primarily Turkey), they could possibly be used to establish a reserve and to keep discharged Luftwaffe pilots in training.

The deputies asked, just as Army Chief of Staff Hans-Henning von Sandrart had done recently, that soldiers be better prepared for their subsequent reservist task during basic service, and moreover, that the excess of reservists in the navy or Luftwaffe be assigned to the army. To improve the "growth potential" of the Bundeswehr the elimination of "administrative wheelspinning" was also called for. The Union representatives could offer no data regarding the costs of their proposals. These, however, were said to be in the process of exploration.

MILITARY

FEDERAL REPUBLIC OF GERMANY

U.S., FRG COMPUTER ASSISTED COMMAND SYSTEMS INTEROPERABLE

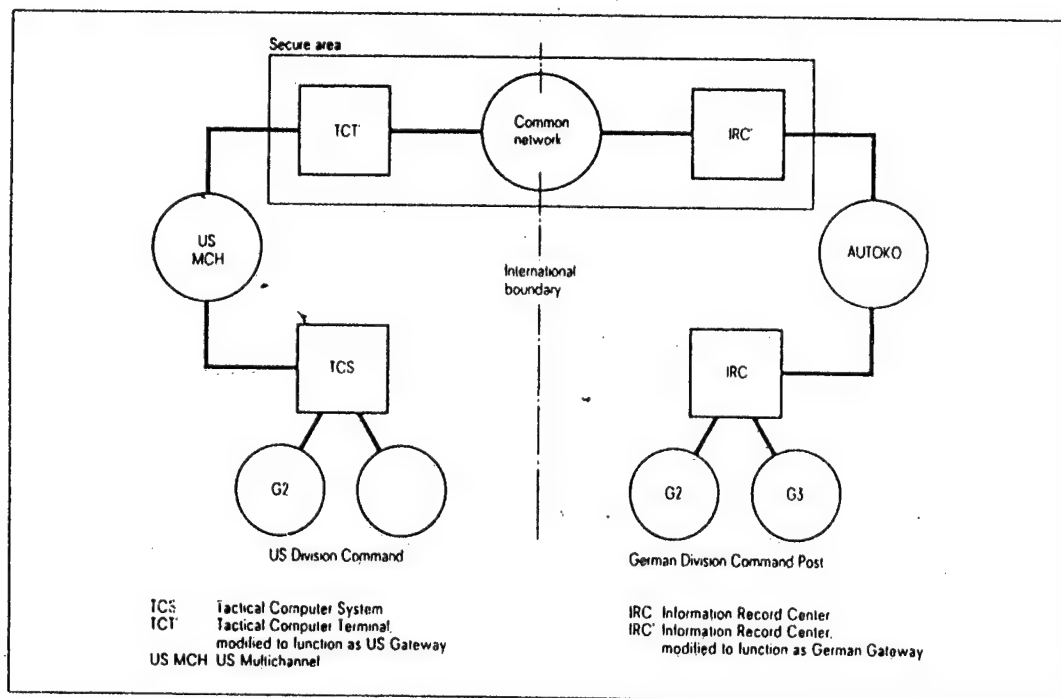
Frankfurt/Main SOLDAT UND TECHNIK in German Jan 85 p 50

[Text] Following talks between the American and German general staffs, interoperability of the HEROS and SIGMA command systems has been decided upon. The appointed project officers of the German HEROS contractor and the U.S. Operational Tactical Data Systems were given the mission to explore the feasibility of an interface between the national tactical command systems HEROS and the U.S. SIGMA/Maneuver Control System (MCS) and to implement it in case of positive findings. In the coupling not only the differing characteristics of the tactical command networks U.S. Multichannel and AutoKo had to be considered, but also the differing applications of higher level operating procedures in the two command systems. In addition, the language barrier had to be overcome.

The study came to a positive conclusion, and on the German side Siemens was selected as the general contractor for implementation. During the large "Nimble Hedgehog" exercise a solution to the interoperability problem was demonstrated in the Graf Aswin barracks in Bonn. Among the guests at the opening ceremony were high officers and officials, such as General Otis, commander in chief, U.S. Army, Europe, General Richardson, COMTRADOC, representing the chief of staff, U.S. Army, Lt Gen Dr Schaefer, chief, General Army Office, and Dr Glaeser, president of the Federal Office for Defense Technology and Procurement. An "international protocol" was drafted for the interface, according to which the gateways on the American and German side translate the national protocols. Information exchange at the interface is in English.

Since HEROS data base is in German, formatted portions of incoming and outgoing transmission are translated in the German gateway into the appropriate language. The "international protocol" was drafted along the lines of the ISO-OSI model for public networks; since the design is based on a modular system the solution can serve as basis for further interoperability programs. Project managers of the American, British, French, and German command systems have already decided to develop a quadrilateral interoperability program for an interface on the basis of NATO standards which are derived from the ISO-OSI model.

Diagram 1--Command Net Interface



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MILITARY

FEDERAL REPUBLIC OF GERMANY

ANTITANK BARRIER DOCTRINE EVOLVES FOR ENGINEER TROOPS

Bonn WEHRTECHNIK in German Feb 85 pp 94-96

/Article by Col Juergen Erbe: "A Barrier Concept for Engineer Troops"/

/Text/ Barriers, being cost effective and purely defensive means, are an important part of forward defense. Their value lies especially in the versatility of prepared, pre-planned, and field expedient barriers. Barriers of antitank mines with different sensors and effects that have been or are about to be introduced open a new dimension for the barrier mission of engineer troops, as explained in the following article by Col Engineer Juergen Erbe, chief of /combat/ engineer group, combat support department of the General Army Office.

According to Western estimates the countries of the Warsaw Pact maintain several times the military forces needed for their own defense. Their constant development, especially the qualitative improvements, create at least the possibility of aggression against NATO countries without much preparation /time/ and with extensive strategic aims.

The main mode of combat is the attack. This is constantly pointed out by publications and reports on Eastern bloc maneuvers. It can thus be assumed that in case of military conflict the following aims will be pursued with surprising, rapid, deep thrusts by massed armored forces:

- upset enemy defensive preparations with rapid attacks;
- use rapid shifts of attack concentrations to exploit successes and enemy weakness for penetration;
- use spirited deep thrusts to destroy the cohesion of the defense.

In the main thrust a numerical superiority of seven to one in battle tanks is to be expected. Introduction of the second echelon will take place early to maintain momentum.

The main weapon system of the Warsaw Pact armies in the 1990's will remain the battle tank. It will be qualitatively improved. The main characteristics of the armor threat may be described as follows:

- large numbers,
- good armor protection,
- great speed and maneuverability,
- deployment possible by day and night.

Antitank Defense

Consequently, current defense must above all consist of action against armored forces. And in the future, too, the main task of the army will be combat against a numerically superior, qualitatively equal, highly-mobile armored opponent with strong firepower.

Antitank defense thus has to incorporate all tasks and capabilities of various weapons and ammunition. Only a comprehensive "antitank defense system" consisting of

- barriers,
- individual antitank weapons,
- battle tanks and other antitank tube weapons,
- antitank guided weapons,
- antitank equipment for helicopters and airplanes

allows for application of different mission principles so that no gaps in effectiveness will open during combat.

Strengths and Weaknesses of the Battle Tank

The importance of the battle tank and its triumph over some 40 years are based especially on the ideal unity of mobility, firepower and protection with a high degree of terrain mobility in a single system.

During the development over the last decades one or the other factor was stressed somewhat more. However, there has been and always will be a limit, represented by total weight. Of course, one may long argue whether the limit lies at 50, 60 or 70 tons. The discussion is academic, since it is unquestioned that a limit is posed by the total weight on development and construction. Thus the opportunities for armor protection are also limited, i.e., they have an upper limit.

Armor protection has always been improved and optimized first on the glacis plate and the turret, since the threat is especially grave in those areas, i.e., from the front. In the meantime the relationship between frontal armor and penetrating force has become so balanced that calls for increased penetrating power of antitank ammunition and antitank rockets are no longer necessarily justified.

To the contrary, deterrence must consist of a mix of weapons and means with varying missions and effects so that no gaps will be left open in effectiveness. The enemy must be denied the opportunity to one-sidedly optimize his armor. Indeed, the opposing tank development must be influenced. Up to now the comprehensive approach has not been pronounced.

A tank is vulnerable from the side, from behind, from above, from below, and in its motion. Thus, opportunities must be found to attack it from these directions. Some solutions are:

- munitions with final phase guidance,
- top attack munitions,
- the still conventional tank barriers,
- and especially mines, layed, scattered, and directional mines with intelligent fuses wherever possible.

Forced to undertake certain improvements in armor in the weak areas and thus to a shift in armor the enemy battle tank will once again become vulnerable from the front.

The "attacking masses of battle tank" system can be effectively and successfully counteracted by a balanced "antitank defense" system.

A Barrier Concept

During a conference of the German Society for Defense Technology in May 1984 the Bundesheer Chief of Staff, Gen Wolfgang Altenburg, once again pointed out the three indispensable principles of our military strategy:

- forward defense,
- rapid conflict termination,
- and damage control.

These indispensable principles must also be the basis and guidance for a barrier doctrine of the engineer forces. This cannot be an end in itself, but rather only a part of a general concept. An army that wants to protect and defend its territory would be foolish and negligent if it did not use its knowledge of the terrain in preparing for the defense. Such a system of barriers, designed to be as multifaceted and imaginative as possible, plays a considerable role as deterrent. Switzerland is a good example.

One possibility for classifying all barriers is surely the following:

--Prepared Barriers

The aim of prepared barriers is not only to use the "home court" advantage but also the logical continuation of damage control--a general given--in a specific situation. These prepared barriers, designed to protect the infrastructure, include especially road demolition shafts, drop devices /for explosives/, and barriers of collapsed girders.

--Preplanned Barriers

Mine barriers may be considered to be preplanned barriers. But antitank ditches are also included.

-- 'Field-type Artificial Barriers

Field barriers are to be built beginning with the outbreak of armed conflict. They are established in the course of combat upon demands by troop commanders for support or to markedly influence the course of a successful defensive battle.

Due to unfortunate circumstances thoroughly positive opportunities and means for effecting prepared and preplanned barriers were discussed last summer in the press in an incorrect or largely misleading manner.

The term "liquid explosives" refers to explosive liquids and pasty multicomponent mixtures used for demolition. They are being investigated. An advantage may be that the so-called demolition barriers (such as road demolition shafts) that currently still have to be loaded in a very time and labor-consuming way may be prepared faster.

These substances can be poured or pumped, so that certain advantages are obvious. There has never been any thought of a conduit system, similar to a pipeline, that could be prepared in peace and loaded and exploded as needed.

After the conclusion of current research and experiments the decision will be made in 1985 whether explosive liquids or pasty multicomponent mixtures offer such advantages that they could supplement and partly replace conventional explosives.

Mine Barrier Concept

Mine barriers must be an important part of a barrier concept. They alone supplement, improve, and perfect the opportunities that make defensive barriers cost-effective, reducing personnel and time requirements.

According to evaluations of possible enemy attacks mine barriers suited for the terrain and friendly defensive operations can be planned. These mine barriers are oriented to the terrain. They should be layed under concealment whenever possible. Their emplacement periods must extend over several weeks. They should also be reusable. The process of terrain-oriented emplacement will to a limited extent be repeated after the start of combat operations. For such mine barrier missions a mine emplacement system if available, consisting of a very effective antitank emplacement mine with a mechanical emplacement device.

Manual emplacement will not become obsolete with the introduction of mechanical devices, although it will become the exception. There are barrier areas where the terrain or ground cover does not allow for the use of mechanical devices.

The Swedish mine emplacement system with the FFV 028 mine as the antitank emplacement mine 3 has been successfully tested in international comparisons. Agreement has been reached to introduce this mine emplacement system 85. Distribution to units should begin in late 1985.

During the course of battle the use of barriers must be adapted to the situation, so as not to prematurely limit friendly movements.

These situation-oriented mine barriers will be emplaced in direct cooperation with combat forces, precisely and with limited means, immediately in front of or within the defensive positions.

It will often be necessary to vary mine density and limit the period of effectiveness so as to make certain terrain sectors again passable. For such an extremely flexible system a mine scattering system emplaced on a vehicle or helicopter is very well suited. The mine scattering system (Fig 2) with an unarmored tracked vehicle M548G and the AT-2 mine has been introduced and the procurement contract has been signed. With a combat load of 600 AT-2 mines, for example, 1,500 meters can be effectively barred in about 10 minutes.

The operation will often take place where enemy armor

- is expected shortly,
- makes a surprise appearance,
- has broken in or through,
- or where the terrain must be cleared again in the not too distant future.

Barriers consisting of scattered mines, such as the AT-2, cannot replace barriers consisting of the very effective emplacement mines, such as the anti-tank mine 3. Directional antitank mines complement the terrain and situation oriented operation by

- barring roads and highways,
- closing paths through barriers,
- closing gaps between barriers,
- protecting barriers from clearing,
- forming barriers along fordable or navigable waters,
- in urban combat.

They are able to do this since this horizontally active mine can engage armored vehicles especially from the side at distances of up to 50 meters. The release can take place through various sensors. It is a mixture that makes clearing and optimal concentration on one procedure difficult. At this time the directional antitank mine 1 is undergoing technical evaluation and troop trials.

In a target-oriented operation mine barriers are scattered by artillery immediately in front of the enemy or in his position in a fashion that movement within the range of antitank weapons or terminally-guided artillery ammunition will come to a halt. The primary aim is to prevent the introduction of the second echelon into combat.

For such missions the Light Artillery Rocket System (LARS) has already been introduced. Efforts are underway to supplement it with a Medium Artillery Rocket System (MARS). Both multiple rocket launchers used the AT-2 as projectiles.

Effect of Modern Mines

Up to now antitank mines were effective only against wheel or tracks. This resulted only in immobility.

However, modern mines with effect on the entire vehicle result in a total loss. Shaped or P charges penetrate the hull and enter the battle or engine compartment, and through primary or secondary effect cause immobility and elimination of firepower and crew.

All known and all prospective hull armor can be penetrated. There is practically no direct protection. This psychological effect of the immediate threat of the mine to the crew is novel. It means that movement will become even more cautious and slow. There will be more quick stops and withdrawals. In this way the effect of mine barriers will be much greater than any known research indicates.

And another factor is added. Up to now the mission of the barriers was merely to stop the armored enemy, to channel him and force him into a certain direction, so as to make effective use of antitank weapons possible. Modern antitank mines destroy the tank, and, as a study has shown, do so cost effectively.

Conclusion

Barriers as an important component, indeed a prerequisite for a promising forward defense are absolutely defensive means. They are cost effective. The multiple aspects of the possibilities hinder the enemy's concentration on only a few counteracting techniques.

The barrier mission becomes more adaptable and flexible through the use of labor and time saving but very effective means such as mine emplacements, mine scatterers, and directional antitank mines. It can at last meet the requirements of combat troops and be adopted to the specific situation and dynamically shaped.

The totality of all barriers, the prepared, the preplanned, and the field-type barriers, in the case of the latter two primarily mine barriers, represent an important contribution to an effective and balanced "antitank system." Thus they are an important part of deterrence.

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MILITARY

FINLAND

EVOLUTION OF FINNISH DEFENSE DOCTRINE SINCE WORLD WAR II

Vienna OESTERREICHISCHE MILITAERISCHE ZEITSCHRIFT in German Jan/Feb 85 pp 9-16

[Article by Pekka Visuri, Major on Finnish General Staff, Instructor at Finnish War College: "The Development of Finnish Defense Doctrine Following World War II"]

[Text] During the entire period of national independence since 1917, the influences from foreign and domestic factors on Finnish defense doctrine have been roughly equal. This is due in part to the great geographic differences between the various regions of Finland. The southern coastal landscape is approximately that of Central Europe, whereas the northern regions are very sparsely settled, with transportation and communication systems being difficult to develop.

In the Winter War of 1939/40, on the Karelian Isthmus in the south trench warfare was conducted which was very similar to the Western Front of World War I. At the same time, the Finnish troops along the eastern border some 1,000 km long between Lake Ladoga and the Arctic Ocean were able to engage in tactically effective combat and even conduct counterattacks, which to a certain extent were comparable to the battles of Tannenberg and in the Masuria area.

Following World War II, Finnish defense doctrine was naturally founded primarily on its own experiences. These experiences included elements which projected into the future and thus were long-lasting, because the geographic and climatic conditions and also the character of a people do not change very rapidly. But on the other hand, the military situation has radically changed. Moreover, rapid progress in weapons technology can be observed in Finland as well. All of this requires a sustained development of defense doctrine as well.

The Situation After the War

In the summer of 1944, Finnish troops sought to bring the large-scale Soviet offensive to a standstill. The decisive battle took place once again on the Karelian Isthmus, in particular in the vicinity of Wyborg. There Finland fought with 11 divisions as opposed to 25 Russian divisions. This resistance finally succeeded. The outcome was influenced above all by a

concentration of artillery, when it proved possible to bring almost 20 battalions into action against the attacker's troops in reserve. In northern Karelia the Finnish infantry units likewise brought the Soviet troops to a standstill and destroyed several enemy units by counterattacks in connection with encirclement or "motti" battles.

In July 1944 the strength of the Finnish infantry consisted of about 530,000 men. The armed forces had mobilized 16 percent of the total population. The maximum strength reached by the army was 16 divisions and 3 brigades.

According to the pre-peace treaty which was signed in Moscow on 19 September 1944, Finland had to dislodge the powerful German troops from Lapland and at the same time demobilize its own army. This meant roughly a reduction to the peacetime strength of 1939, with about 42,000 men. In the pre-peace treaty, Finland's national boundaries were fixed in such a way as to correspond to those existing after the Winter War of 1939/40. But in addition Finland lost the Pechenga area on the Arctic Ocean. Close to Helsinki, the Porkkala Peninsula was leased to the USSR as a fleet base.

Because of the new politico-military situation, in June 1945 the Finnish government established a board (designated as the Defense Review Commission) which consisted half of politicians and half of military personnel and which had the task of drawing up a plan for the organization of the armed forces in peacetime.

In the winter of 1945 the president of the nation, Marshal of Finland Baron Mannerheim, had already proposed to the chairman of the Soviet-British supervisory commission for the pre-peace treaty, Colonel General Andrei Zdanov, that a treaty on cooperation in case of a possible war should be prepared. According to this, Finland was to commit itself to repulse all attacks directed at the USSR by way of Finnish territory.

According to Mannerheim, it was advantageous to Finland to retain for itself a defense capability corresponding to the situation, so that the Soviet Union would not have anything to worry about from the general direction of Finland, and so that by doing this no need would arise for Soviet troops to be committed in Finland¹. This way of thinking was also accepted as a guideline by the defense board, even though no treaty had been prepared in accordance with it.

In the Paris Peace Treaty of 10 February 1947 the territorial surrenders were retained and certain restrictions on the armed forces were enacted: A total strength of 41,900 men (army--34,000 men, navy--4,500 men and a tonnage of 10,000 tons, and an air force of 3,000 men with 60 airplanes). Moreover "special weapons" such as atomic weapons, submarines, bombers, and guided weapons were prohibited. In fact, very soon these strength limitations were interpreted as applying only to the peacetime organization. In Finnish weapons depots, weaponry for armed forces half a million men strong continued to be stored.

An event of fundamental importance for Finnish security policy was the treaty concluded with the USSR on 6 April 1948 concerning friendship, cooperation, and mutual assistance. The international situation was unsettled, and at first there were many misgivings about the treaty. In his radio address of 9 April 1948, President Paasikivi described those delimitations which distinguished the treaty between Finland and the Soviet Union from other somewhat similar treaties. It was said there:

"In the preamble to the treaty, an important principle was addressed---namely, the principle that it is Finland's desire to remain outside the conflicts of interest of the great powers, a principle which the Finnish people unanimously approve of and which most small states endeavor to adhere to.

"What the military obligations of the treaty contained in Articles 1 and 2 amount to in brief is that if our country or the Soviet Union by way of our territory becomes the object of an armed attack on the part of Germany or one of its allies, we will defend the inviolability of our territory as much as we can, and if we need help we will receive it from the Soviet Union as soon as an agreement is reached on this. In my opinion, all of this is reasonable and follows from the nature of the situation, and nobody should have anything to object to it. It would be appropriate to the course of things if such a misfortune arose that Finland became the victim of an attack.

"In our treaty, the obligation to negotiate has been as narrowly defined as was at all possible: It comes into consideration only when the threat of an attack directed against Finnish territory has been established. The word 'established' is to be an expression of the free will of both sides. The text of the second article was the object of a very thorough-going deliberation process here in Helsinki, and the form as approved is exactly the same as that contained in the initial instructions to the delegation. It would be difficult to find a text which no longer allowed any leeway for interpretation²)."

In 1949 the defense board completed a detailed proposal for the organization of the armed forces on the basis of the mentioned treaties (10 February 1947 and 6 April 1948) and on the basis of the studies concerning the strategic situation of Finland, its war experiences, predictions of weapons technology, and economic resources. The parliamentary members from the various parties who were represented in the commission were largely in agreement with the leadership of the armed forces about the guidelines for the developmental work. In the commission report, the necessity of defensive capability on a national scale was emphasized, as well as a buildup of the armed forces on the basis of universal military service.

But the economically difficult postwar period did not allow sufficient resources to be made available for the armed forces. In this connection it was kept in mind that there were still large quantities of weapons and ammunition in depots for the land forces above all, and also that there was no shortage of trained reserves.

Peacetime Organization and Training During the 1950's

The 1950 law on military service fixed the duration of universal basic military service at 8 months, and for command personnel and specialists at 11 months. For refresher training, a scope of time of 40-100 days was established. For practical reasons, it was not possible to begin troop training until in the 1960's.

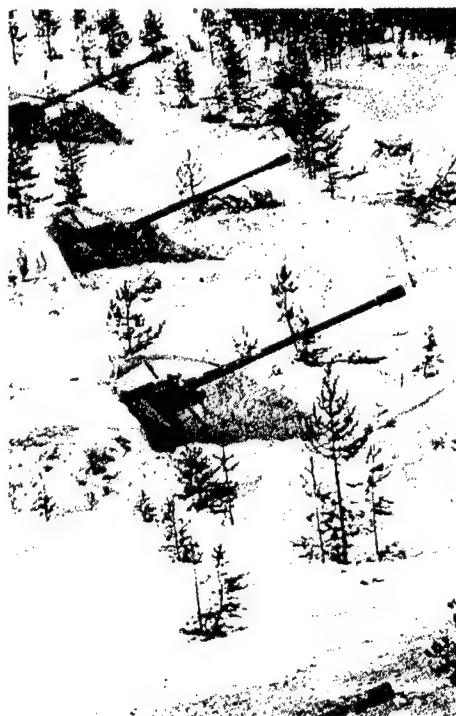
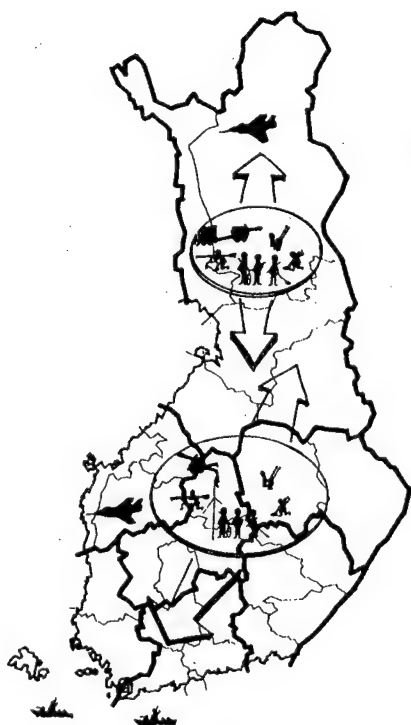
The peacetime organization was finally put into effect in December 1952. In its 1949 report, the defense board had stressed the importance of the principle of territorial defense. But this reform was not carried out completely. The national territory was divided into three overall defense zones (territorial divisions) which were in charge of the regular troops and which were responsible for training. An armored brigade was made available to the supreme command as a reserve. The so-called territorial organization had the responsibility to prepare for mobilization.

It consisted of 7 military zones (roughly the provinces) and under these 27 military districts. The sea forces (navy) and air forces (aviator troops) were placed under the commander in chief of the armed forces and the general staff. The defense ministry headed the administration of the armed forces. As before, the supreme commander was the nation's president.

At the beginning of the 1950's, the combat doctrine of the army and the corresponding tactical training still closely followed the practices developed from World War II. Its war experiences were intensively studied and further developed. An attempt was made to give more depth to defensive combat and to stress the importance of activity and a willingness to attack in all types of battle. Guerrilla warfare and raid-type operations were valued as increasingly more important. The future pattern of warfare was seen above all as a total war which will offer many surprises. Battles should be conducted over widely dispersed areas and without fixed front lines. Also the danger of air and sea landings was assessed as very high, in accordance with Finnish terrain conditions.

In the search for greater flexibility and combat preparedness in the army, in the first half of the 1950's a brigade organization was introduced in place of a divisional or regimental organization. Coastal artillery and air defense were introduced into the land forces in accordance with the requirements of the principle of territorial defense. No other noteworthy measures for overall territorial defense were taken in this phase. Civilian home defense continued to be unorganized. Operations of the large units as well as of smaller ones were viewed in terms of procedures to be followed in a rather "linear" fashion.

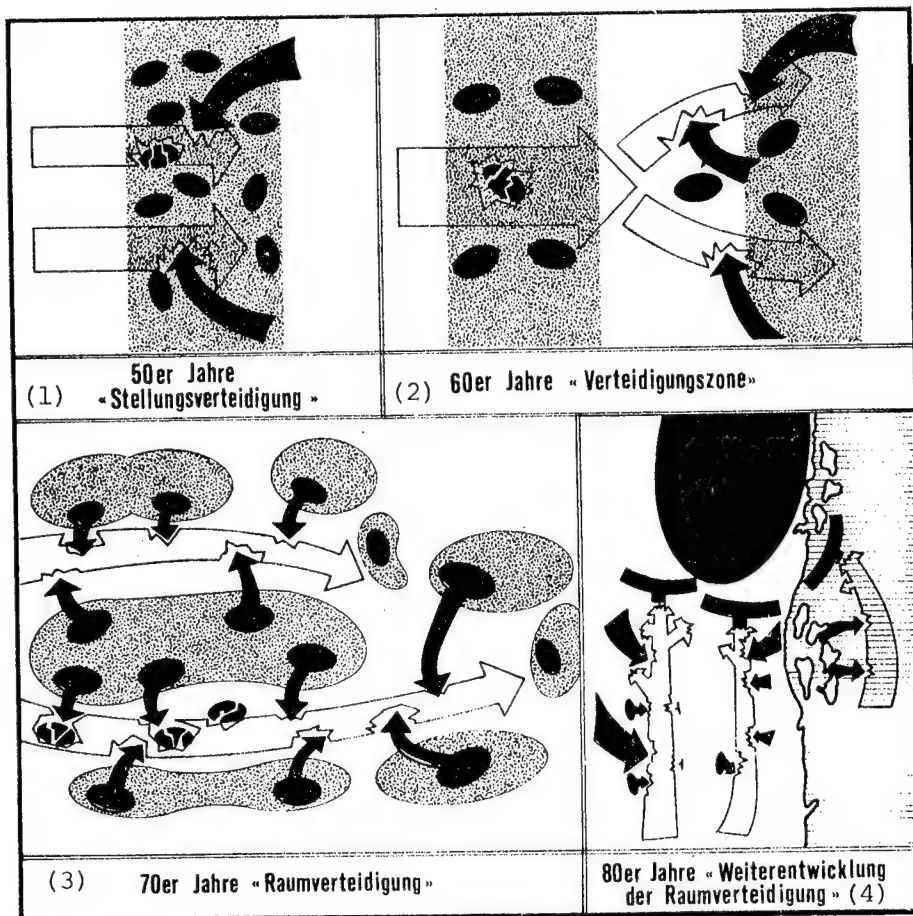
The top leadership for overall defense was given more effectiveness in 1957 through the founding of an advisory organ, the National Defense Council. In addition to the premier and defense minister, at least four other ministers, the commander in chief of the armed forces (commanding general), and the chief of the general staff also belong to this council.



The Current Military Structure: 7 military zones and 25 military districts. The operational troops can be committed in a mobile fashion, whereas the local troops are designed for tasks of combat security and guerrilla warfare*)

*) Armed forces about 40,000 (mobilized strength about 700,000). Universal military service: Basic military service for 8-11 months. Territorial organization: 7 military zones, 25 military districts, naval forces, air forces, border protection (3,500).

In accordance with the principle of "total home defense," in 1958 the law on civil defense was decreed and the corresponding preparations were begun. The protective shelter program, at first concentrated in the cities, has by now already provided 2,300,000 protective shelters, which presents itself as sufficient for half of the population. Towards the end of the 1950's, the preliminary work also began on home defense in the economic sector. A council for the planning of military research was founded.

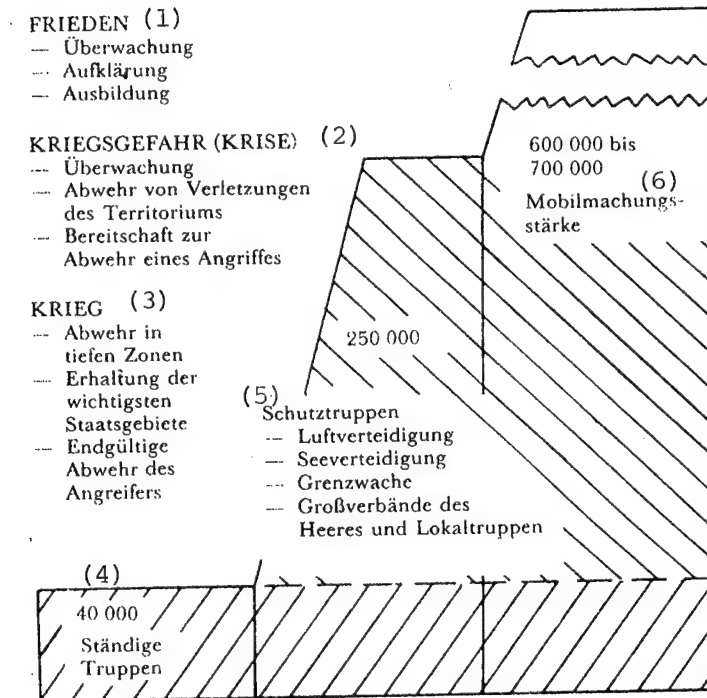


The Development of the Defense Doctrine

- Key:
1. 1950's: "position defense"
 2. 1960's: "defensive zones"
 3. 1970's: "area defense"
 4. 1980's: "further evolution of area defense"

During almost all of the 1950's, the capability of the Finnish armed forces stood on the foundations inherited from World War II. For the army, troops which corresponded to roughly 15 divisions could be mobilized. At that time this meant a considerable strength in comparison to other European armies. Some types of its weapons, especially the antitank weapons, had become dangerously old. Therefore during the years 1955-1958 domestically made recoilless artillery guns and panzerfausts were developed which proved to be outstanding weapons. But the greatest shortage of equipment existed in the air defense. The airplanes were replaced only very slowly. The first six jet fighters, De Havilland Vampires Mk52, were purchased in Great

Britain. The network of air surveillance radar was built at the end of the 1950's.



Initial Cases and Armed Forces

- Key:
1. Peacetime
 - Surveillance
 - Reconnaissance
 - Training
 2. Threat of war (crisis)
 - Surveillance
 - Defense against violations of territory
 - Preparedness for repulsing an attack
 3. War
 - Defense in deep zones
 - Retaining the most important national territories
 - Final repulsing of the attacker
 4. 40,000 standing troops
 5. 250,000 Protective troops
 - Air defense
 - Sea defense
 - Border outposts

- Major formations of the army and local troops

6. 600,000 to 700,000 mobilization strength

After the fleet base of Porkkala was returned in 1956, the conditions for the neutrality policy improved considerably. But this brought also new requirements with respect to the ability to monitor the territorial waters and air space and to defend against attempts at violations. In the case of the sea defense, only the already traditionally strong coastal artillery was at an acceptable standard, whereas the naval units were asking for much more in the way of replacements of material.

The defense doctrine was being stamped more and more by the demand for securing territorial inviolability and neutrality. This presupposed an improvement in the surveillance capabilities of the air and sea forces.

Although the question of the influence of nuclear weapons on the defense doctrine was investigated, no satisfactory solutions emerged. But general weapons developments increased the necessity of evolving a strategy by means of which Finland could keep itself outside of possible large-scale conflicts. The threat of crises and of a nuclear war increased at the beginning of the 1960's.

The rise in tensions in the international situation which had been occurring since 1958, especially the Berlin Crisis and the accelerated arms race, had its effects also in the north. Under President Urho Kekkonen Finland tried to improve its balanced relations with both superpowers and their alliance partners. On 28 May 1963 the president also made an initial proposal for a northern nuclear-free zone.

In addition to these foreign-policy measures, the equipping of the armed forces began to be improved. The prohibition by the Paris peace treaty of 1947 with respect to "rocket weapons" was seen as a serious problem. The Soviet Union was prepared to sell both FIA [antiaircraft] guided missiles and also interceptor aircraft with air-to-air missiles. These weapons were regarded as necessary in order to prevent violations of its territory and the exploiting of Finnish air space for attacks against neighboring countries.

During the relatively long and eventful negotiations it first became clear that Great Britain was not very willing to remove the "rocket ban." It gave its approval finally under the condition that the purchases were to be made in a balanced fashion in Western and Eastern countries. Then at the beginning of 1963 a new interpretation of the treaty was disclosed which had been drawn up by the signatory countries (USSR and Great Britain). Since that time, defensive guided weapons (for example, for air defense and antitank defense) have no longer been prohibited. Subsequently it was also made known that Finland had acquired such weapons from both the USSR and Great Britain³).

But prior to this, in the autumn of 1961 the so-called "crisis of notes" had been experienced. It was in part a side issue of the Berlin Crisis and

of NATO nuclear weapons plans (earlier phase of the MLF, the Multilateral Force), but was also partly connected with the reelection of President Urho Kekkonen. On 30 October 1961 the Finnish government received a Soviet note in which consultations on the defense of the borders of the two countries were proposed on the grounds of a threat of military aggression on the part of the FRG and NATO.

Premier Khrushchev did not drop his demand for talks with President Kekkonen in Novosibirsk until 24 November 1961. In this connection it was stated, among other things, that it is above all the business of Finland to keep track of the security situation in the North and to keep the defense capability of its territory in a good condition⁴).

In the first half of the 1960's, additional new Soviet weapons systems were procured for all the military services. The army obtained tanks and long-range guns, the air force obtained MiG-21 interceptor aircraft, and the navy received two corvettes of the Riga class. On the other hand, modern FLA weapons were acquired from Switzerland. These material procurements considerably improved in particular the combat readiness of the regular units, but they were not sufficient for the entire field army which would be mobilized. The military expenditures during 1962/63 were about 7 percent of the national budget, which corresponded to 2.3 percent of the GNP.

The role of nuclear weapons in the strategy of the great powers was given priority in the time of the 1950's up to the 1960's. This was followed by demonstration tests on a very large scale, with bursts amounting to as much as 50 megatons. A worsening of these grave developments took place by way of the crisis in the autumn of 1962. The increased introduction of tactical nuclear weapons formed an additional unassessable factor in Europe. Understandably enough, all of this had an effect on Finnish military doctrine.

It became more and more problematic to maintain a credible defense under the threat of nuclear weapons as well. The development of nuclear weapons strategy increased also the military importance of the most northern seas and subsequently of Finnish Lapland, although on the other hand one could rightly say that at that time Finland really lay in "shelter" under the flight paths of the intercontinental rockets, and no longer was in the transit lanes of land forces.

The development of tactical nuclear weapons represented a new challenge for the land forces. To be sure, the use of nuclear weapons in connection with Finland was not found to be very likely at all. Nevertheless an attempt was made to come up with tactics roughly according to foreign models, in which the depth was enlarged for defensive fighting by major formations, so that the brigades and army corps planned for and as far as possible prepared for troop fighting echeloned in depth over wide areas. In this connection, the significance of attack in nuclear war was stressed, because only by thrusting into the enemy troop formations and close engagement with the enemy would the full utilization of nuclear weapons be prevented. The field duty regulation of 1963 was drawn up according to such principles.

At the beginning of the 1960's the overall home defense was further developed. Since 1961, training above all of top officials and political figures in special courses on home defense (3-4 weeks at the War College in Helsinki and about a week long in the provinces) has generally clarified and deepened the security idea. The still relatively short courses had a considerable importance also in the promulgation of military doctrine. According to Finnish practice, there has been no written publication or publicizing of this to the public.

Policy of Area Defense, 1966 - 1970

During the postwar period it had been recognized that there was a need to develop the defense concept more on the territorial principle. The decisive step was taken in 1966, when 7 military zones were formed, with responsibility for all defensive measures in their territory. At first only the task forces of the air and sea forces remained under the supreme command.

Assigned to the military zones were those units which have above all training and military preparedness functions, and also the military districts, which are responsible for preparing for mobilization. These territorial commands were formed as much as possible in conformity with the civilian administrative regions, so that a military zone generally comprises 1-2 provinces. There are still exceptions, which have led to difficulties in cooperation.

The question of the extension of the territorial or area defense principle also to combat by the smaller units has been more difficult to respond to. The large surface area of Finland does not permit any uniform dispersion of troops in all areas of the country. But in this connection it is also not probable that a threat will take place at the same time from all directions and in a similar way against all portions of the country. The operational-tactical effectiveness requirement points to a relatively strong concentration of troops in primary directions.

But on the other hand, regular tactical operations acting in surprise and engaging quickly over wide areas require many combat-ready forces in various different parts of the country, and also a decentralized mobilization system. An added factor above all is the activity of an enemy air force, which can delay or even prevent troop displacements. These various aspects complicated the decision for or against an area defense.

By way of effective raid-type operations, small-scale warfare, or if necessary "guerrilla war" in general, it was possible to create a threat to supply routes of an attacker. Presented as the best solution was the creation of special troops by local forces for engaging in small-scale warfare (designated in Finnish as "sissi" units). On the other hand it was not desired that the civilian population be included in fighting activities or for the direct support of the troops. The Finnish type of small-scale warfare from the rear of the enemy is designed only for military forces.

For securing its own hinterland, for example against air landings and reconnaissance aircraft, a far-reaching network of local troops was organized. The equipping of these units is not expensive. Their training is relatively easy to carry out. The local troops are immediately combat-ready in case of the threat of an attack or when it is mounted.

Under Finnish conditions, operational forces cannot be dispensed with. A portion of such units can probably begin fighting even in mobilization areas, but if necessary brigades for example are also to be moved over relatively long distances. Because of the minimal number of people in Lapland, a supplying of troops from southern portions of the country in crises or wartime conditions is necessary.

To support the operational forces and the local troops with supplies and transport, so-called support troops were formed. The logistical system is based for the most part on local apparatuses, but also many operational field supply facilities are provided. Characteristic of Finnish territorial defense are:

- the independent conduct of operations by the seven military zones, supported by air and sea forces;
- the local defense and mobilization system at a high state of readiness, which is based on 25 military districts and which covers the entire country;
- the use of the operational troops (brigades and army corps) for decisive operations, in order to confront the aggressor in defense, delaying actions, and attack.

The army corps is an operational major formation with an undefined organization (15,000-30,000 men). Placed under it are brigades which consist of about 7,000 men (3-5 infantry battalions and battle support troops)⁵).

This comprehensive defense can be divided into three phases:

- Covering action (securing of mobilization and of deployment),
- stabilization of the situation (defense),
- decisive battle (attack).

The Finnish type of area defense cannot be designated as a formally defined activity. The defense of the various parts of the country is to be realized in very different ways, depending on the strategic situation and the geographic conditions. In Lapland, one is better able to yield territory and engage the attacker in depth in a large number of small battles, whereas in the region of the southern coast a relatively rigid defense against an invasion is necessary. The extensive skerry areas and the Aland Islands must be defended in a manner entirely unique to these regions.

Since the 1960's the combat tactics of the brigades have also assumed more of the character of area defense. The brigades and battalions are assigned a defense area with important sections of terrain which are to be held within it. In this connection, the battalions are geared for an all-around defense. His mission allows the commander the greatest possible freedom in execution. Within the framework of the combat doctrine, the significance of attack by battalions, brigades, and even army corps is preserved, because no decisive success can be expected through a passive defense alone.

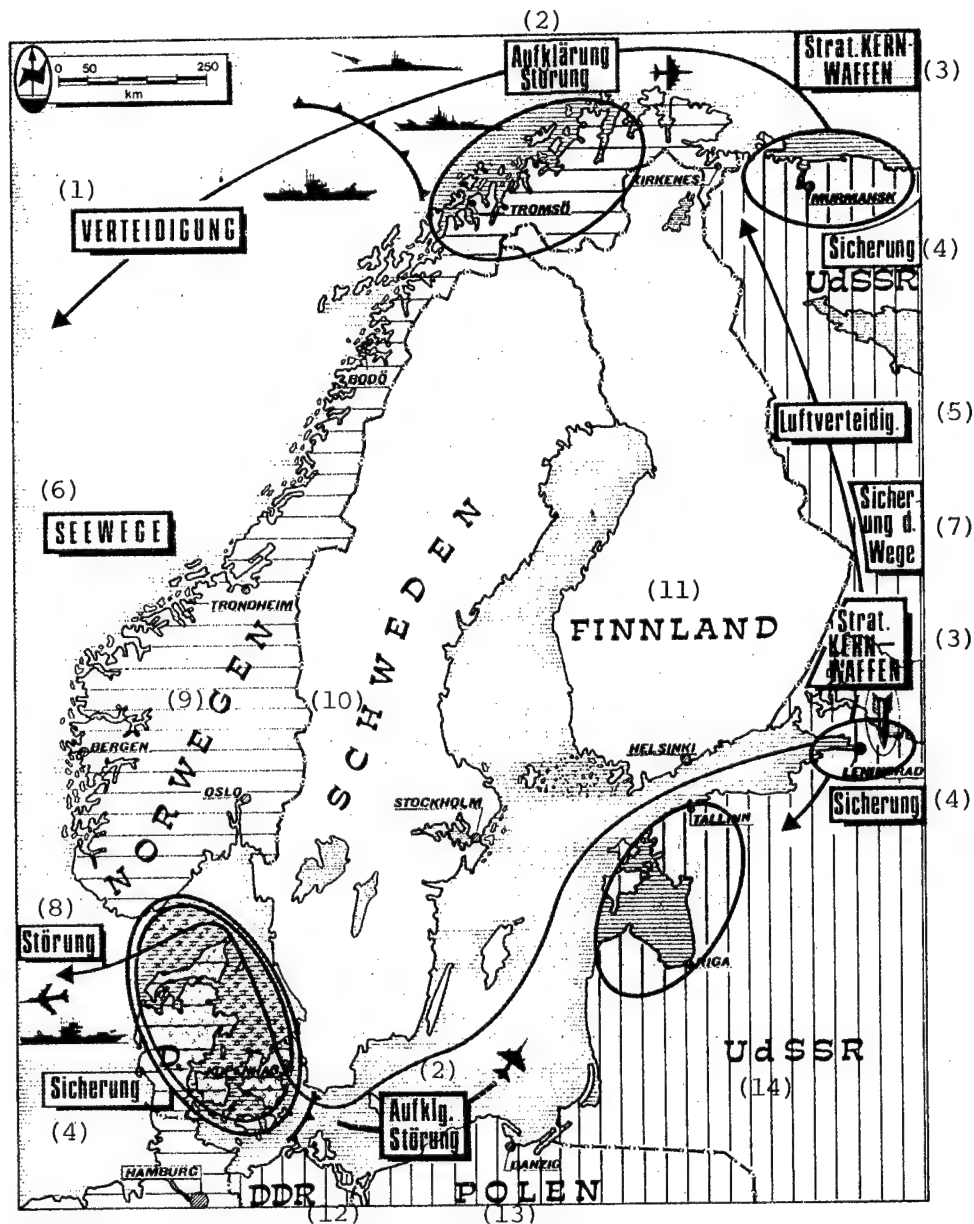
The Parliamentary Defense Commissions

Developments which appeared in Europe toward the end of the 1960's, with pacifist and anti-nationalist attitudes, also reached Finland. In this connection, debates also arose about the influence on defense preparedness of the process of detente, which was characterized as having already begun. Somewhat later, the fear of nuclear weapons had an effect in this criticism, notwithstanding that at that time the role of nuclear weapons in foreign doctrines was tending to decrease in comparison to the situation at the beginning of the 1960's.

Viewed in general terms, Finnish defense doctrine had not been adequately imparted and clarified to the public. In this connection it was also not credible enough for the future evolution of the armed forces to have been ensured from this direction.

In 1970, the first parliamentary defense commission was formed--which was made up of members of parliament and representatives of the armed forces--for the purpose of preparing a proposal for the evolution of the armed forces in the 5-year period of 1972-1976. The commission's report of 1971 defined security guidelines and declared that a defense concept based on universal military service and territorial defense was an appropriate one. It recommended that purchases of weapons and equipment be expanded by 14 percent annually. The 1974 law on the armed forces followed the recommendations of the commission. With this the mission of the armed forces was defined so unequivocally that the long debates could come to a halt.

The second parliamentary defense commission of 1975-1978 devoted particular attention to the surveillance of air and sea areas, to defense against territorial violations, and to the improvement of the defensive measures in northern Finland. Owing to this, first of all the air defense was made more effective at the end of the 1960's by the procurement of interceptor aircraft (Dragons ["Draken"] and Mig-21 bi's) and antiaircraft guided weapons, and by modernizing the radar network. The share in all new purchases held by air defense increased to 53 percent. Of the total sum, 23 percent went to the land forces, 11 percent to sea defense, and 13 percent to joint missions.



Possible Strategic Objectives of the Great Powers in Northern Europe

- | | |
|-------------------------------|-------------|
| Key: 1. Defense | 9. Norway |
| 2. Reconnaissance, harassment | 10. Sweden |
| 3. Strategic nuclear weapons | 11. Finland |
| 4. Combat security | 12. GDR |
| 5. Air defense | 13. Poland |
| 6. Sea lanes | 14. USSR |
| 7. Securing of the lanes | |
| 8. Harassment | |

Moreover, the motorized infantry battalion of Lapland (in Sodankyla, north of Rovaniemi) became a brigade in 1979. It received new weapons and equipment for arctic warfare.

The third defense commission was compelled to state in its 1981 report that the general security situation had become worse whereas northern Europe had become strategically more important, although the situation in the north could still be characterized as stable. The commission recommended improved measures. According to these, in case of a crisis--with the threat of war--operational readiness can be significantly raised without undertaking a general mobilization of the entire armed forces. It was calculated in this connection that protective troops numbering about 250,000 men and equipped with modern weapons and vehicles should be kept in readiness with a high level of training⁶).

The recommendation of the third commission signified a considerable clarification with respect to the war-preventing aspect of the doctrine. The foundations of territorial defense are to continue to exist in the 1980's and 1990's, but the new protective troops provided for give the opportunity for these to be flexibly mobilized as early as at a determination that there is a threat of war, and they can be committed in accordance with the situation.

The units of air and sea defense belong almost entirely to these protective troops, as do several motorized army brigades with combat support troops. But also included are the most important local troops in border and coastal areas. The mission of the protective troops includes defense against territorial violations and such attacks which seek to make use of Finnish territory, for example for the passage of troops. In addition they ensure the mobilization of the main forces (about 400,000 men)⁷).

The responsibility for the organization and mobilization of the protective troops is given mainly to the standing troop units, which are not filled up to authorized strength until there is a threat of war. Their equipment is stored in garrisons or in troop stockpiles, whereas in the case of a mobilization the main forces--which are to be formed almost completely from reservists--need much material, including vehicles from the civilian sector. Therefore the equipping of the main forces does not allow any very mobile combat tactics.

The 1982-1986 program for new procurements now stresses the land forces (38 percent). The share held by air defense comes to 34 percent and that of sea defense to 18 percent⁸).

Outlook for the 1990's

Finnish defense is to be developed in a manner corresponding to the recommendations of the parliamentary defense commissions. Here the requirements of the 1990's must be envisaged even today. Understandably enough, the patterns of war threats and of war and also the security situation can be foreseen only with uncertainty. Thus at least the emphasis of the various aspects must constantly be examined anew. We are living in a transition period of weapons technology, in which microelectronics is coming into widespread use and the nuclear-weapons doctrines are under review.

During the postwar period, the emphasis of doctrine has evolved from that of large-scale battles by the land forces to the prevention of violations of territory and surprise attacks. In this connection, the components of air and sea defense have increased. But it has been determined that the primary objective of security policy--to stay out of a possible war--requires a balanced operational capability on the part of all the military services. All of these together are means of crisis management. Understandably enough, the ultimate defense against a major attack is based on the combat effectiveness of the land forces.

The demands on the air defense have grown more rapidly. Aside from supporting the combat troops and offering protection against air attacks for important installations, the ability to defend against violations of air space is on its list of tasks to an increasingly great extent. Added to this is the problematic defense against cruise missiles.

In the last analysis, the interpretation of the effectiveness of these measures is of a political nature. No country is able to have an absolute defense, which is why it has been properly asked whether a neutral country can actually be more than "moderately" responsible for its air space. In Finland it has been said, among other things: "Our military opportunities for developing surveillance and defense systems against cruise missiles are limited, but not nil. The greatest expectation which we have to be concerned about may lie in our guarding the inviolability of our country with an effectiveness similar to that which is common in our neighboring area and in corresponding territories."⁹)

The development of defense with interceptor aircraft serves equally for the prevention of violations of air space and for support to the army units. Although the number of Finnish combat aircraft is not large, they cannot be destroyed easily, and they constitute a serious threat to any attacker.

The sea operations are based more and more on small but powerful guided-weapons ships and on sea mines. The Finnish territorial waters can be cut off relatively easily with mines. Moreover the coastal defense has at its disposal many fortifications, which can block access to harbors by way of modern guns in armored turrets and also guided weapons.

For the further development of the army, the most important forces must be distributed in two directions, Lapland and southern Finland. In the defense of Lapland, what is needed besides the local troops are several operational, mobile units, whose equipping and training should be further developed to a substantial degree. Although Lapland is regarded as sensitive strategically, it is also not simple to negotiate the very difficult terrain, so in it turn can be defended relatively satisfactorily with suitable troops.

The southern Finnish coast, where the majority of the population lives in the population cluster around Helsinki, requires a defense policy having similarities to Central European practices. Although the network of roads is well developed, the terrain also includes very many cliffs, swamps, and

lakes, which will have an obstructive effect on tank troops in the future as well. The combat ranges are short, which provides advantages to the infantry. But nevertheless, in the future as well tank brigades and motorized infantry brigades will have to be held ready for counterattacks, because even in southern Finland a rigid, passive defense alone cannot be successful.

Notwithstanding the expansion of technology, defense doctrine should continue to be further developed on the basis of universal military service. Only such a system can make available a sufficiently large number of troops for the defense of this large national territory. This is also in line with the sort of support which the population shows for home defense.

As in other countries as well, the procurement of sufficiently modern arms presents a difficulty. It is very likely that the defense budget is still around 1.5 percent of the GNP. Although in general the territorial doctrine can be put into practice relatively cheaply, Finnish conditions require suitable sea forces in addition to air forces.

But it seems that in the future as well Finland will rate highly the security objective of staying out of great-power conflicts, but of guaranteeing to the people their standard of living even during a possible war. The applicable strategy is the preventive avoidance of war by means of a sufficient defense preparedness and a resolve to repulse even a major attack, if necessary, with every available force.

Paris Peace Treaty, 10 February 1947 (extract)

Part III

Provisions on the land forces, war fleet, and air force.

Art. 13. Weaponry on land, in the water, and in the air, and also fortifications are to be limited strictly to the execution of tasks of a domestic-policy nature and for the local defense of borders. Accordingly, Finland is not entitled to maintain greater armed forces than:

- a) Land forces, including border protection troops and air defense artillery, having a total strength of 34,400 men;
- b) A war fleet with a crew strength amounting to 4,500 and with a total tonnage of 10,000 tons;
- c) Air forces, including naval air forces and reserve aircraft, with a total strength consisting of 60 airplanes and 3,000 men. Finland is to neither maintain nor purchase airplanes which are designed above all as bomber aircraft with internal bomb-transporting equipment.

These strengths include in each case the combat, supply, and command personnel.

Art. 17. Finland must not either manufacture or test atomic weapons, any kind of missiles flying under self-propulsion or which are to be guided, or any sort of equipment associated with their launching (except for those torpedoes and torpedo launching facilities which are a part of the customary weaponry of warships permitted by this treaty), sea mines or torpedoes which explode without contact and which are detonated by means of a sensitivity mechanism, manned torpedoes, submarines, or other vessels which travel under water, motor torpedo boats, or specialized types of assault vessels.

Treaty on Friendship, Cooperation, and Mutual Assistance Between the Republic of Finland and the Union of Socialist Soviet Republics

Preamble: The president of the Finnish Republic and the Presidium of the Supreme Soviet of the Union of Socialist Soviet Republics have decided,

in a desire to continue to develop friendly relations between Finland and the USSR,

in the conviction that the strengthening of good neighbor relations and cooperation between the Republic of Finland and the USSR is in line with the vital interests of both countries,

out of regard for the Finnish desire to remain outside the conflicts of interest of the great powers,

and to give expression to the steadfast aspiration to work together to maintain international peace and security in keeping with the objectives and principles of the organization of the United Nations,...

Art. 1. If Finland or the Soviet Union by way of Finnish territory becomes the object of an armed attack on the part of Germany or another state which is in alliance with it, Finland will fight in order to repulse the attack, being faithful to its obligations as an independent state. In doing so, Finland will concentrate all the forces available to it on this defense of the inviolability of its territory on land, in the water, and in the air, and will conduct this defense within Finnish borders in accordance with its obligations as defined by this treaty, if necessary with support from the Soviet Union or together with it.

In the above-mentioned cases, the Soviet Union will provide Finland with the requisite help if required, about the granting of which the parties to the treaty will come to an agreement with one other.

Art. 2. The high signatories will enter into negotiations with one another in case a threat involving a military attack as spoken of in Art. 1 has been established.

FOOTNOTES

- 1) Polvinen, T.: "Jaltasta Pariisin rauhaan," Porvoo, 1981, p 55-66.
- 2) German text from Wagner, U.: "Finland's Neutrality," Hamburg, 1974, pp 207-209.
- 3) Jakobson, M.: "Finland's Neutrality Policy Between East and West," Vienna-Duesseldorf, 1969, pp 158-171, and Simelius, S.: "Puolustusvoimien puolesta," Porvoo, 1983, pp 169-196.
- 4) Jakobson, M. pp 133-157.
- 5) Sotatieteen laitos: "Strategian kasikirja," Helsinki, 1983, p 56.
- 6) Report by the Third Parliamentary Defense Commission (Finnish and English), Helsinki, 1981, pp 17-20 and 42-44.
- 7) Ibid., pp 43-44.
- 8) Ibid., p 45.
- 9) Klenberg, J.: "Aseteknologian kehitys ja Suomi. Juhani Suomi (toim.): Nakokulmia Suomen turvallisuuspolitiikkaan 1980 - luvulla," Keuruu, 1980, p 144.

12114

CSO: 3620/276

9 April 1985

MILITARY

FINLAND

PEACE, CONFLICT INSTITUTE ISSUES CRUISE MISSILE EFFECT STUDY

Helsinki HELSINGIN SANOMAT in Finnish 7 Feb 85 p 20

[Review by Raimo Vayrynen, professor of international politics at Helsinki University, of book "Risteilyohjukset ja Suomen Turvallisuuspolitiikka: Kaydyn Keskustelun Kahdesta Aallosta" [Cruise Missiles and Finland's Security Policy: a Study of the Two Waves of Debate Engaged In] by Pertti Joenniemi, PEACE AND CONFLICT RESEARCH INSTITUTE STUDIES, No 28, 1984: "Some for Control, Others for Defense; Cruise Missiles Are Creating Internal Tensions in Security Policy"]

[Text] The cruise missile is an out-of-the-ordinary nuclear weapon inasmuch as it has directly had an effect on the internal debate on security policy engaged in in Finland too. Special investigator Pertti Joenniemi of the Peace and Conflict Research Institute has undertaken an analysis of the two different waves of this debate. The earlier of these took place at the end of the 1970's and the later one in 1983-1984.

Apparently the debate is still going on. Joenniemi has very comprehensively followed the statements that have been made about our cruise missile policy in Finland and abroad. He considers the evolution of the positions assumed by these politicians, officials and analysts in the light of an analytical model.

In his model an "outer circle" represents the political and an "inner circle" the military pattern of reaction to the cruise missile problem. He further divides the political pattern into unbiased neutrality policy and position-assuming ways of reacting. As for the military positions, Joenniemi rates them according to whether the proposed military measures involve our own forces or borrowed forces (that is, based on application of the Friendship, Cooperation and Mutual Assistance Pact).

Copying Osmo Apu, Joenniemi stresses the fact that tensions may arise between the political reverberations of the neutrality policy and military decisions. The cruise missiles may have increased these tensions. The relationship between the military credibility and the political acceptability of the security policy has become more problematic than before.

Vision of Power Politics

Joenniemi's analysis in many respects is provocative. It indisputably demonstrates that our cruise missile strategy has evolved under different kinds of pressures. Views presented in official quarters have not always formed a consistent whole either.

Actually, this is not very surprising since the doctrinal structure of a new security policy rarely acquires its final form right at the start. In connection with this, Joenniemi's case study also offers the elements for a more theoretical investigation of foreign policy strategies. The author does not develop his own work in that direction.

The analytical model developed as a basis for the study works well in the sense that the different attitudes can be accommodated in the political and military "circles," which are divided into subsectors.

The very loose use of certain essential terms is, however, a problem. For example, the important concepts of credibility and acceptability are not sufficiently unambiguously defined. The author does probably not mean either that his model provides a visual picture of power politics in which defense policy is situated around the central point and foreign policy in the fringe area. On the basis of the study, the author's own emphasis is just the opposite.

Control or Defense?

According to the study, in terms of foreign policy Finland's cruise missile strategy has laid emphasis on an unbiased neutrality policy (a partial exception to this was President Kekkonen's speech in Stockholm in May 1978). On several occasions Joenniemi stresses the fact that, with regard to the cruise missile issue, Finland has not pursued the same kind of active small nation policy as Kekkonen did in 1965 in sharply criticizing the NATO plan for a multilateral nuclear force (MLF).

In the defense policy circle, with one exception, cruise missile defense with borrowed forces has not been supported. So the decisive question has been whether we feel that we can defend ourselves against cruise missiles with the means we have.

During the first wave of debate, even among the military different focal points cropped up. Some generals regarded cruise missiles as an arms control problem, while others regarded them as an air defense problem. Joenniemi feels that the Third Parliamentary Defense Committee has welded this seam together. The committee mentioned the fact that a model for foreign policy action would be revealed to us through arms control, but it also endorsed the view that we must defend ourselves against cruise missiles. The positions assumed by the military have also begun to more and more emphasize the possibility of defense. Does this possibly mean that they are pushing for military professionalism on a larger scale in our officer corps at the expense of more general security policy thinking?

Consistency and Counterpressures

Judging from Joenniemi's analysis, a neutrality policy slanted toward arms control and the desire to stress missile defense with our own forces are combined in the official cruise missile strategy (indeed, the author's style, given to throwing out runners and reviewing the situation, at times influences the drawing of conclusions).

Perhaps Joenniemi's most important lesson is that the strategy is not devoid of internal tensions. The military credibility of the strategy structure — if we can speak of such at all in terms of defense against nuclear weapons — does not particularly guarantee its acceptability as foreign policy. Since the views of the superpowers differ in questions relating to nuclear arms policy, the security policy of a buffer zone like Finland runs into counterpressures.

We may continue with Joenniemi's analysis: Obviously, the firmest way out of this dissonance, which is more potential than the sort that would give foreign policymakers sleepless nights, is, on the one hand, to stress an unbiased arms control solution and, on the other, to keep a defense policy in the background.

Efforts in favor of cruise missile defense have come to a standstill, and unrestricted they will probably also be beneficial from the overall standpoint of security policy. However, it serves no purpose to build a cruise missile policy that is very visibly dependent on them since that would upset the internal balance of the security policy strategy structure. As Joenniemi on several occasions asserts, it would also introduce nuclear war into our defense policy thinking.

In President Koivisto's New Year's address he was evidently trying to find an internally consistent and externally valid cruise missile strategy for Finland. In it he extended priority to arms control and proposed the banning of long-range cruise missiles. On the other hand, without making specific proposals, Koivisto stated that "we must in any event prepare to defend our territory and prevent violations of our air space."

I take the liberty of drawing the conclusion that there is, however, no need for any new military programs because of cruise missiles — not accelerated by the events that took place at Inari or any others either. A disarmament policy aimed at limiting nuclear weapons and a "low profile" defense policy will offer a more lasting solution in terms of our security policy.

11,466

CSO: 3617/70

MILITARY

FINLAND

SUPREME COMMANDER WANTS STUDY ON NEW TECHNOLOGY IMPACT

Helsinki HUFVUDSTADSBLADET in Swedish 5 Mar 85 p 1

[Text] The supreme commander of the Armed Forces, General Jaakko Valtanen, wants an investigation of how technical and industrial development is affecting defense. Among other things the investigation should establish which technological areas Finns manage best and which are important from the viewpoint of defense.

Valtanen expressed his views at the opening of the 95th Defense Course in Helsinki on Monday. He also questioned whether Finland should become more integrated in international cooperation, especially with regard to sectors which require highly developed technology, in order to be sure that our knowledge continues to increase.

General Valtanen also expressed his concern over the condition of the Finnish aircraft industry.

If the Finnish aircraft industry shrinks to taking care of only repairs and service, we will not be able in the future to place sufficiently high demands on our procurement, said Valtanen.

9287

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MILITARY

FINLAND

BRIEFS

TELECOMMUNICATIONS EQUIPMENT TO ARMY--The Defense Ministry is procuring new telephone exchanges from domestic firms. The Council of State's Financial Affairs Committee defended the procurement on Wednesday. The exchanges are being ordered from Telenokia in Espoo. The procurement is worth over 10 million markkas. Eighty-four percent of the order will be filled by domestic firms. The order will provide employment for about 20 people for a year's time. In this way the Armed Forces are continuing the updating of their long-distance exchange system. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 7 Feb 85 p 29] 11466

CSO: 3617/76

MILITARY

GREECE

ARMED FORCES JOINT MANEUVERS ANNOUNCED

Athens TA NEA in Greek 18 Feb 85 p 1

[Excerpts] Premier Andreas G. Papandreou, minister of National Defense, will observe grand maneuvers by the Armed Forces during May.

According to TA NEA sources, many units of the three Services will take part in the maneuvers and several of their phases will be combined between the Army, the Air Force and the Navy.

During the maneuvers there will be a launching of the ultra-modern Exocet missile against an "enemy" target that will be a decommissioned ship of the Navy. This part of the maneuvers, as well as other parts, will be observed by the premier, by alternate minister A. Drosogiannis, deputy minister P. Zakolikos and by the entire leadership of the Armed Forces. The launching of the missile during the exercise is considered to be an event of special interest both because of the accuracy of the handling required and because the cost of such a missile is close to 1 million dollars.

9731

CSO: 3521/198

MILITARY

GREECE

GREEK, TURKISH NAVAL CAPABILITIES LISTED

Athens I VRADYNI TIS KYRIAKIS in Greek 17 Feb. 85 p 8

[Text] The Aegean must become a sea of peace. Only thus can two countries-- Greece and Turkey-- arrive at a solution of their differences.

This was and remains the Greek position. Of course, this does not mean that it is possible to renounce our sovereignty rights to the archipelago that has been Greek for centuries or to accept "accomplished facts" no matter where they have been provoked and no matter what their objective is.

The sooner the Turkish side accepts--in fact, not in words--this historic reality, the better it will be for both countries and their people.

The Strategy of Our Staff

What are the naval forces the two countries have at their disposal and what are the "probable" theaters of operations?

"There are no probable theaters. There are 'sensitive' areas such as Samos and Khios. The entire Aegean is considered a potential theater of operations. However, the vast number of our islands is also the greatest problem for our Navy (it is just as great, if not greater, for the Turks) because it generates the need for their protection and demands the existence of a strong Navy capable of moving rapidly and effectively under any conditions or by its presence and power to prevent any thought of action by an enemy. The Aegean in the wintertime is rough and our Navy needs "all-weather" ships (3 days ago the "Hurricane" fleet exercise was carried out in seas of 8 to 10 on the Beaufort Scale [gale winds]) with missile capabilities in order to be able to discharge its duties."

These are the evaluations of the staff officers of our Navy who pass them on to the political leadership in order for it to assume, in turn, the greatest responsibilities (armament program, the modernization of old ships, the purchase of up-to-date weapons systems, etc.).

The Comparison of Forces

How many ships does the Greek Navy have available at present and how many does the Turkish Navy have and what is the naval strength of the two countries with regard to personnel?

The Greek Navy has a strength of 19,500 officers, petty officers and seamen, 10,000 of whom serve aboard our 120 ships. The Turkish Navy has a strength of 45,000 officers, petty officers and seamen. It has 220 ships.

Specifically:

The order of battle of the Greek fleet is as follows:

- 2 Ultramodern frigates
- 12 Fleet destroyers
- 5 Destroyer escorts (the so-called "Wild Beasts" ["Panther," "Lion," etc.])
- 14 Missile torpedo boats of the "Combattante" class
- 6 Torpedo boats
- 10 Submarines
- 14 Minesweepers
- 2 Mine-laying ships
- 7 Landing ships [Tank]
- 5 Landing ships [Vehicle]
- 5 Landing ships [Personnel]
- 1 Large oiler [Tanker]
- 5 Patrol boats (built in Greek shipyards, the only ones of this class)
- 30 Auxiliary vessels

In addition, there are 9 Agusta-Bell helicopters; 4 Alouette helicopters and 12 aircraft for naval support.

At this point it should be mentioned that all our old ships have been refitted and modernized and are equipped with various weapons and electronic systems and undergo continuous maintenance.

The order of battle of the Turkish fleet is as follows:

- 2 "Kelly" class frigates ASW [Antisubmarine Warfare]
- 6 "Fram" class destroyers
- 5 "Fletcher" class destroyers
- 1 "Robert Smith" class destroyer, used mainly for mine-sweeping
- 2 "Burke" class frigates with helicopter-carrying capability
- 4 "209" class submarines (German), the same as ours
- 9 "Guppy" class submarines (American)
- 8 Missile torpedo boats
- 7 "Jaguar" class torpedo boats
- 5 "Kartal" class torpedo boats
- 1 "Nasty" class torpedo boat
- 4 Large landing ships
- 53 Small landing craft
- 7 Minesweepers
- 34 Minelayers
- 64 Patrol boats of various types
- 10 Auxiliary vessels

There are, in addition, 19 Agusta-Bell 212 ASW helicopters, two squadrons of ASW aircraft with a total of 20 "52" units and two "TS2" trainers.

The Greek Navy is superior in:

Seamanship

Training

Modern weapons (our two new frigates are a great advantage)

The ability to handle weapons

In other words, the tradition, the enthusiasm, the confidence and knowledge of seamanship are elements that distinguish the Greek sailors and make them clearly superior.

However, all of this is not sufficient to allow us to relax. A continuous effort in the armaments area is needed because the Turks are advancing at a rapid rate in the development of their ship-building industry. We have already "lost" 3 years and it does not seem probable that any armament plan will begin prior to the end of 1985. Time does not stand still. If we do not wish to find ourselves facing painful surprises, we must hurry up. Only thus can we move closer, sooner and in a safe manner to the irrevocable Greek objective of making the Aegean a sea of peace.

9731

CSO: 3521/189

MILITARY

GREECE

AIRCRAFT PURCHASE TERMED TWO-PRONGED VICIOUS CIRCLE

Athens RIZOSPASTIS in Greek 7 Mar 85 p 3

[Text] The government is proceeding at full tilt toward the actualization of the "purchase of the century." It has been stressed that in this way the vicious circle of a new arms race with Turkey is beginning, since nothing can prevent the latter from obtaining the same type of aircraft. And as a matter of fact, Turkey has not been left behind. In September of 1983--as we wrote in the RIZOSPASTIS--it ordered from America 160 "F-16" airplanes, precisely the same as those of the "purchase of the century."

Of course, the alternate minister of defense, Mr. Drosoyannis, recently declared that the Americans will not begin to deliver "F-16's" to the Turks before the Greeks receive their own "F-16's." We don't believe this however.

Because since September 1983, when an agreement on the "F-16's" was signed between the U.S.A. and Turkey, 17 months have elapsed. Their manufacturing has begun and is already quite far along. We cannot see how, after working for 17 months, American factories will put the Turks aside and violate the agreement by shelving the aircraft for three years, to give priority to the building of the more recent Greek order.

So the vicious circle of the arms race begins indeed. Things are much worse, however, because it has been disclosed that some NATO countries (England, West Germany and Italy) agreed to sell Turkey 40 bombers of the modern "Tornado" type. Mr. Drosoyannis declared that "officially" he knows nothing about such a purchase. Consequently, "unofficially" he knows about it. And now what will the government do? Will it also order "Tornados"? And where will this lead us?

And thus, as soon as Turkey is supplied with any type and any amount of second-hand aircraft, Greece too tears off to cancel out the Turkish order or to acquire the same type [of aircraft] as well.

When Turkey asked Egypt to supply it with 30 of its "Phantoms," Athens rushed to Egypt to convince President Mubarak to sell to Greece also the same number of "Phantoms" or to cancel their sale to Turkey.

The government acted in a similar way--taking steps and exerting pressures--in Norway, Holland and Belgium, to prevent them from selling "F-104" fighters

to Turkey or else to grant an equal number to Greece. It also made moves in Canada, because Turkey wants also to buy from there used Canadian aircraft.

What is to be inferred from all this frightening chase?

.That in a certain manner the Turks determine even our type of armament.

.That in this way the competition stiffens and becomes more destructive. Because, aside from the vicious circle of "the purchase of the century," we also have the vicious circle of used aircraft.

But what can and should the government do?

Leaving NATO Solution to Problem

Needless to say the problem can't be solved by an arms race which, in the last analysis, is dictated and determined by America and NATO.

The problem will be solved only if Greece breaks free of NATO and America, when it will be able to evolve a genuine defense policy in accordance with its own requirements.

Naturally, the government does not appear to be thinking along those lines. But until the people and reality force on it this solution at some point, it should take a few transitional steps, the very first one being to cancel "the purchase of the century."

The KKE has worked out and submitted the general outlines of its well-known total defense plan, which with regard to air [defense] is based on developing the ground-to-air missile branch also, and on implementing a different arms supply policy.

Some New Facts

Today the government must take into consideration some facts about air force armaments, at least in connection with aircraft supplies.

First, it must stop its breakneck race to catch up with Turkish orders. It must establish a program to acquire aircraft suited to the nature of our own geographic and strategic defense needs. It must stop now its fetishism for aircraft--and other means of air defense--which originate from the U.S.A. and NATO.

Other countries, like Sweden for instance, have excellent quality aircraft which are superbly adapted to defensive needs.

Here is one concrete example. In the table of the most important arms agreements for 1982-1984, which is in front of us, we see that: in May 1984 Finland bought 10 Swedish used "J-35 Draken" fighter planes for \$38.8 million. That is \$3.9 million per aircraft.

And the performance of that type of aircraft is quite noteworthy.

Undoubtedly, there are also other types of aircraft similar to those, which could be superbly adapted to the particular defense needs of Greece and which would come from nations outside of NATO.

Until our air defense is worked out it is possible, then, according to the foregoing data, to turn to satisfactory types of used [aircraft] instead of throwing ourselves into the vicious circle of the frightfully expensive "purchase of the century."

This would not mean, however, that our air force would have "antiquated " and "useless" aircraft.

Here we must stress a very significant point: it has been proven that in the last decades aircraft technology has surpassed every expectation with regard to quality and durability.

The terms "antiquated" and "useless" must be revised. Today the limit of an airplane's serviceable years has been extended to an incredible degree.

Even the famous F-4 "Phantom" fighters number 27 years of age. They are a 1958 model. But here is a table of the ages of many well-known types:

England	Date Put Into Service
Hunter	1960
Harrier	1969
France	
Mirage F-1	1973
Sweden	
Draken	1960
Viggen [transliterated from Greek]	1971
U.S.A.	
F-4	1958
F-104	1963
F-111	1964
F-14	1972
F-15	1974

When we see that such famous types as the F-4, the F-11, the Draken, the Harrier, etc. are over 20 years old and have not stopped being viewed as valuable and highly efficient, then we can but admit that, under certain conditions, we can also ensure our defense with used airplanes. It is enough to carry out a suitable search and make the proper choices.

Therefore, let the government renounce its megalomaniacal and fetishistic programs, "the purchase of the century," and...come down to earth. Until the time for a radical reshaping of our defense comes, which is of course interwoven above all with abolishing every form of dependence.

12278

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MILITARY

GREECE

BRIEFS

TEN-YEAR PLAN FOR NAVY MODERNIZATION ANNOUNCED--The plan to modernize and renew the Navy for the next 15 years is ready. The program's finalization is pending the KYSEA's [Government Council For National Defense] approval and as the deputy minister of national defense, Mr. P. Zakolikos, declared yesterday "very soon" Greek shipbuilding industries will be able to respond with offers for building the ships. The ship modernization program was elaborated by the GEN [Naval General Staff] committee chaired by Vice-Admiral Andritsopoulos (who was recalled to active service) and according to information obtained by VIMA it not only includes the building of medium size frigates in Greek shipyards but also the transfer from abroad of "advanced technology" for their construction. All destroyers (the so-called "dreadnoughts") will be replaced too by medium sized maneuverable ships and, most significantly, all ships will be equipped with modern guided missiles--sea to sea and sea to air--and with sensitive electronic piloting, targeting and arms systems control devices. The Navy's modernization program was worked out conjointly with the study, evaluation and selection of the new Air Force fighter planes, and as the deputy minister of national defense, Mr. P. Zakolikos, announced, it has been included in a 5-year economic plan. A resolution of the KYSEA, which is expected to meet at the end of this week or at the beginning of next week, is needed for the implementation of this plan and for the shipbuilding to be entrusted to Greek shipyards. Both Mr. Drosoyannis and Mr. Zakolikos avoided referring yesterday to the date on which the KYSEA will meet and what issues they will tackle. [Text] [Athens TO VIMA in Greek 6 Mar 85 p 3] 12278

SECURITY CHIEF'S RESIGNATION-- Lieutenant-General Yorgos Sampanis, the head of the Security Section of the Greek police, tendered his resignation, which was accepted. The reasons for Mr. Sampanis' resignation were not disclosed. But according to information, the head of the Security Section of the Greek police submitted his resignation following the recommendation of the Minister of Public Order, Mr. Skoularikis. [Text] [Athens TO VIMA in Greek 7 Mar 85 p 1] 12278

MILITARY

PORTUGAL

DEPUTY ATTACKS PURCHASE OF A-7 AIRCRAFT

Lisbon DIARIO DE NOTICIAS in Portugese 25 Jan 85 p 2

[Excerpt] "Authentic scrap iron" was how Cesar Oliveira (UEDS) classified the A-7 airplanes (which equip our Air Force) and for which three million contos were allocated just for spare parts. The example served to support his disagreement with regard to the armed forces priorities as reflected in the 1985 budget. "The Army continues to be the privileged one, while, with regard to the Air Force, concepts and priorities persist which have little or nothing to do with an orientation which must defend the national interests as defined by continental Portugal and by its Atlantic archipelagos" he said.

Hence his violent attack on the acquisition program for 50 A-7 airplanes, of which 20 have already been delivered to Portugal. In the view of the deputy, they don't meet even the minimum requirements for the missions that result from the economic and military interests of the vast maritime space of our country: "Either the A-7 airplanes are unable to fly between continental Portugal and the islands, which is more or less the normal situation, or they have to be supported by naval units which provide indispensable radio aid. And it is well known that the average cost per day of a support ship on the high seas is no less than 500 contos."

He added that of the 20 aircraft, only a maximum of 9 have been operational. And, he further disclosed at this moment only four planes are in flight condition. Supporting himself with data that he guaranteed to be absolutely accurate, Cesar Oliveira furnished to Parliament (substantial data) which included 150,000 contos for technical literature for the A-7, just for this year (the total forecast through 1987 is one million contos). The deputy also said that there are plans to acquire missiles for the A-7 whose total cost is estimated at 500,000 contos for the current year.

In contrast, he clarified, using current criteria, the navy "will be reduced between 1990 and 1995 to absolute zero." He let it be understood that the explanation for this can be found in the fact that "it is not foreseen that any potential candidate for the presidency of the republic comes from the navy."

He added that the budget for 1985 "does not take into account at all that there exists a rapid deterioration of the majority of Portuguese naval units, as well as national interests within the context of the maritime space into which Portugal projects itself."

With all this in mind, he proposed that the A-7 program be terminated. Because, he added, with just the monies involved in maintaining those aircraft, we could build five ocean-going patrol boats with helicopters and five more for coastal patrols, and also cover the expense of modernizing existing coast guard ships. He also said, "While the maintenance program for the A-7 squadrons has only a very weak connection with Portuguese industry, the national construction and modernization and recuperation of some naval units that are currently afloat would have a 93-95 percent connection with Portuguese industry, a situation that would positively affect a sector in crisis, such as naval construction and repair."

In the view of Cesar Oliveira, we are dealing here with a "screaming" example of the subordination of political power to military power, "or better yet, to certain interests and military lobbies, with the complacency, the connivance, and the silence" of the deputies, "particularly those who have shown themselves to be so energetic in their attacks upon the public sector."

This was yet another criticism of the PSD and of the CDS, following other indirect criticism aimed at those who "will resort to a military candidacy for the presidency of the republic."

12857

CSO: 3542/112

MILITARY

PORTUGAL

SERGEANTS' COMMITTEE PURSUES LEGAL ACTION

Draft Law Defended

Lisbon **DIARIO DE NOTICIAS** in Portuguese 23 Jan

[Text] The Sergeants' Committee which prepared a draft law as a class action to the National Assembly considers its action "absolutely legal" and the intervention of Defense Minister Mota Pinto, with the president of the Parliament as "inopportune and baseless."

In a press conference, First Sergeants Travancas de Carvalho (Army), Armando Parreira (Navy), and Fernando Casimiro (Air Force) affirmed that, since they are in the reserves, and not in active service, they are protected from the disciplinary sanctions foreseen in No. 8 of Article 31 of the National Defense Law.

"There cannot be sanctions because we are within the law," they related, commenting upon news releases according to which it is the intention of Mota Pinto to initiate a disciplinary process against them.

As for the military leaders who may also be somewhat "irritated" with the activities of the sergeants' committee, the sergeants emphasized that they are not worried about the repercussions of their actions.

"The consequences which we hope will result from our move are to succeed in obtaining from the military hierarchy the statute to which we have every right. We have no other objective nor are we concerned about anything else except this," they said to the **DIARIO DE NOTICIAS**.

The sergeants, who represent more than 2000 signers of a petition to the Justice Department in 1983, from among the approximately 11,000 sergeants in the country said that their principal concern is with an alternative project to the statute of military status as yet not approved, and they stressed that the former is going to affect all other documents which will govern the military classes.

They made reference to the existence of a statute for officers and said that they could not understand why there was none for sergeants, criticizing specifically the official answers to this matter, which take the position that the statute of military status must be approved before their status as sergeants can be evaluated.

In the conference, they affirmed that meanwhile a statute for marshalls and officers and sergeants of the GNR [Republic National Guard] had already been approved without the existence of the statute of military status.

In a document given to the reporters, the sergeants related chronologically the facts of their battle for the statute, dating back to before 25 April 1974 and leading up to the events which caused the intervention of the defense minister, prompted by the delivery of their project to the Parliament.

"After 25 April 1974, immense problems were created for the sergeants owing to a profusion of legislation affecting us" they said, adding that they had always initiated steps "along official and legal lines," aiming at changing the situation in which they found themselves, which they described as one of "disregard and unfairness."

The first sergeants present at the press conference said that complications began to arise when, in following No. 3 of Article 33 of the National Defense Law, they addressed themselves to the Justice Department.

Yet this very article stipulates that the Parliament would have to legislate the ways in which the military are actually able to address themselves to institutions as other common citizens.

Move Seen Communist-Inspired

Lisbon SEMANARIO in Portuguese 26 Jan.

[Text] The sergeants movement with regard to acquiring their own statute, which was revealed publicly both through the bill presented to Parliament and through the press conference which was held at the beginning of the week, is considered in military circles close to the top of the military establishment as an attempt on the part of the Communist party to capitalize upon class aspirations.

Moreover, the fact that the press conference was carried out by sergeants in the reserve is indicative of their designs to question the issue of military discipline, and specifically the restrictions of rights which are legally enshrined and inseparable from the very nature of the armed forces.

Meanwhile, although their reserve status allows them public expression, it was related to us that such military personnel continue to be subject to eventual prosecution by military justice should it be considered their statements violate the obligations, which even in their situation, continue to apply.

Meanwhile, the office of the minister of national defense announced that the bill for the statute of the sergeants is ready, and that it is only dependent on the approval of other military laws which await their turn in the National Assembly.

This latter fact reinforces the interpretation that we are faced with a typical political maneuver, our source, concluded.

MILITARY

SPAIN

SPANISH LEGION TO BE REDUCED, EQUIPMENT UPGRADED

Madrid CAMBIO-16 in Spanish 11 Feb 85 pp 56, 58

[Text] The Legion, one of the Spanish Army's elite forces, will have its personnel reduced by about 2,000 men throughout 1985. On the other hand, this shock force will be restructured and will be provided with armored vehicles for defense, attack and troop transport, antitank missiles and other sophisticated weaponry, as called for in the plan for modernization of the Armed Forces.

Experts from the Army Staff explained to CAMBIO-16: "As a result of this, in the future, despite that reduction in personnel, the Legion will have a greater capacity for mobility and firing power. It will reinforce the defense of the Spanish districts in northern Africa and also those in the Canary Islands. It will be kept as a unit constantly ready to be used in any situation, location or eventuality, in a resolute fashion."

At present, the Legion has about 7,500 men in its ranks, half of whom are professional legionnaires, and the rest young men taking their military service in the divisions, on a volunteer basis. There are also 300 foreigners in its ranks.

The reduction in human personnel will affect almost exclusively the contingent of youths who want to render military service in the Legion every year, "because it would not make sense to 'retire' Legion cavalrymen when what is desired is to professionalize this unit to the maximum extent," as CAMBIO-16 was told by experts from the staff. Of the 350 officers and petty officers assigned to the Legion, 50 will be transferred to other posts in the Armed Forces. In short, the change in the Legion's organic structure entails the abolishment of two companies (over 1,500 men); the conversion of the present ones into motorized and mechanized, instead of on foot; the maximizing of a group for special operations; and the reconversion of the Fourth Division, of Ronda (Malaga), which is currently only serving for instruction and backup for the rest of the Legion, into an operational one.

The First Division, Gran Capitan, with headquarters in Ceuta, and the Second, Duque de Alba, located in Melilla, will each have a motorized company, another mechanized one and an antitank defense company. It was explained to CAMBIO-16 that, "In this way, two companies will be abolished, but there will be a gain in power and effectiveness, because these units are not motorized at present."

The Third Division, Juan de Austria, which is located on Fuerteventura, lost the light cavalry group, "because for strategic reasons it made no sense to keep it on that island," and its two companies have been motorized.

Finally, the Fourth Division, of Ronda, which serves for instruction and training, has been converted into an operational one, and is organized with a light cavalry group (the present one on Fuerteventura, although with its ordnance maximized), and a company or special operations group, comprised of 200 legionnaires, with the capacity to carry out special missions that are not feasible for regular Army units.

This change in the organic structure of the divisions, in addition to the reduction in personnel, will mean that every motorized company will be provided with new Land Rovers, Pegaso trucks and similar transport vehicles; and the mechanized ones will have about 60 BMR (armored half-tracks).

This vehicle, manufactured by ENASA [National Motor Truck Enterprise], has the capacity to hold 11 persons and has a turret installed in it with an MG-3 machine gun. It can also have a 20 or 25 millimeter self-propelled gun connected to it, or a mortar launcher or low altitude anti-aircraft defense system. It can travel as fast as 100 kilometers per hour, and has a range of 800 kilometers.

The new antitank defense companies will supplement the sections of this type already existing in the divisions, and will have French Hot missiles, which can be easily maneuvered, because, in addition to being installed in any type of vehicle, they can be carried and handled by a soldier. They have a maximum range of 4,000 meters, are 1.28 meters long, have a boring capacity of 80 centimeters and reach a speed of 1,010 kilometers per hour.

All this modern ordnance will gradually replace the Milan antitank missiles and the obsolete Panhard automatic machine guns. In Legion circles there is confidence that, during the next few years, this elite unit may have AMX-30 battle tanks equipped for fighting on sandy terrain. As for the individual ordnance, the legionnaires will continue to be provided with the 9 mm Super Star pistol, the 7.62 Cetme and the 9 mm Z-70 sub-rifle.

The abolishment of the Fourth Division of Ronda as an instruction center will cause the future legionnaires to be instructed, as during previous times, in the same companies in which they are going to render their service.

Staff sources stressed that this thorough "reconversion" of the divisions will not affect either the traditions or the symbols of the Legion. Hence, this unit will continue to maintain the "legionnaire's creed," with its "spirits" of commitment, friendship, suffering, discipline, endurance and death; its anthem, its unmistakable green uniform and its "legionnaire's Saturday" on which it pays tribute to its dead.

2909

CSO: 3548/94

MILITARY

SWEDEN

PLAN FOR COMMAND TRAINING REFORMS ANNOUNCED

Stockholm DAGENS NYHETER in Swedish 9 Mar 85 p 8

[Article by Magnus Persson: "Better Leadership By Officers Is Coming First"]

[Text] Next year experimental activity will begin with earlier assembly of conscript company and platoon commanders. The defense believes that as the situation is now they are not sufficiently used to leading before the troops arrive. "Conscription is out of step with study terms in schools, but that can not be helped," said Kim Akerman, chief of information at the Army Staff.

The activity will be tested in the two regiments I-19 at Boden and I-20 at Umea. The conscripted service time will be moved forward so that the platoon officers will be called in 2 months earlier and the company officers 5 months earlier. There will be no change in the length of the training, 12 and 15 months respectively.

In most regiments these groups would today be called in in June just before the end of school, and they would be released in June and August respectively. In none of the cases would their study terms be sacrificed, but with the new arrangement those who are finishing junior college will be forced to wait for fully one-half year idle, and then be released later in the middle of a term if they are to continue their studies.

Training in Leadership

"The most important thing is to increase prior training for conscripted officers. Experience shows that they need more practice in leadership and practical skills in order to take charge of the NCOs and enlisted men who will be called in a little later," said Kim Akerman.

NCOs and enlisted men will serve 10 and 7 months respectively. Their times will not be affected.

"Another important objective is to get a common assembly time for the different categories. In that way they will be able to train together as much as possible during their training," continued Akerman.

Therefore the experimental activity will be conducted in three additional regiments during 1986. That will be in Ing-1 at Sodertalje, I-4 at Linkoping and I-16 at Halmstad. In these regiments those to be trained as platoon officers will be called in later, in September instead of in June. In that way they will have a common assembly time, and no study terms will be sacrificed.

The reason why the same times are not suitable for the entire country is that certain regiments train summer units and others winter units. Readiness will also be maintained through advancing certain training times.

Worsened Transition

"In principle we agree with the Defense Department that prior training must be improved for those who will be officers, but at the same time we can not approve of the transition between civilian and military being worsened. It is unfortunate that the callups cause collisions with school terms for those who are studying," said Hakan Ekengren, chairman of the Conscripts' Council.

Another alternative for army regiments which do not especially train winter and summer units has been worked out. On the other hand there are no plans for testing it. In that case the company officers' callups will come 3 months earlier.

If the coming test activity works out well it can in the future be applied to the entire army.

In the army about 4,300 company and platoon officers are trained each year.

9287

CSO: 3650/196

MILITARY

SWEDEN

COMMANDER OF COUNTRY'S LARGEST POSTWAR EXERCISE ON RESULTS

Stockholm DAGENS NYHETER in Swedish 28 Feb 85 p 14

[Article by Ingemar Lofgren]

[Text] "I am satisfied with the exercise. The only disappointment is that the soldiers seem to have little understanding of what is happening around them and where the enemy is."

This was stated by Maj Gen Bengt Tamfeldt, military commander and leader of the Western Frontier military maneuvers that are now being concluded.

The battles in Varmland and Dalarna are over--for this time. All that remains in the war games that lasted just over 1 week is the tiresome transport operation from the battle zone.

Military materiel and 22,000 soldiers will be transported by highway and rail back to their home bases throughout the country. This should take several days. Only then will the Western Frontier military maneuvers be officially declared complete.

In early May Maj Gen Bengt Tamfeldt, who led the exercise, will turn in his final report on these maneuvers in the forests of Varmland. This does not prevent him from presenting certain opinions now, however.

"There is only one thing that is unfortunate--there are still too many people who do not know how to utilize information," Tamfeldt told DAGENS NYHETER.

"Both private soldiers and officers have too little understanding of what is happening around them. For example, they do not know why they are in a particular place or how close the enemy is."

The main culprit is laziness, according to Bengt Tamfeldt. People have become accustomed to reading the newspaper or listening to the radio when they want information.

"In a real war, the soldier must find out what is happening himself. He must take the initiative, ask where he is, and find out why he is in precisely that spot, if he is to carry out his assignment."

Despite a lack of individual initiative, Western Frontier has gone well, on the whole, according to Bengt Tamfeldt. One goal of the exercise was to demonstrate that the military can carry out its assignments and that it forms a reliable foundation for Sweden's security policy.

"I believe that all units meet the basic requirements we have placed on them," Bengt Tamfeldt said.

Western Frontier, one of the largest Swedish military exercises since World War II, began last Monday. Since then, there has been some criticism concerning ineffectiveness, wasted time, and excessive costs.

"I believe it is necessary to define exactly what effectiveness is. I believe that exercises such as this one are necessary because only then does the friction appear and we see exactly how things work."

"Sitting in classrooms and tents with staff personnel and just talking is not enough."

When DAGENS NYHETER asked him what had been best in the exercise, Tamfeldt answered that the new brigades had proven to be extraordinary instruments of modern warfare, that the military finally had been able to exercise with the civilian sectors of the total defense, and that he had found a positive attitude among both the civilian population and recruits.

9336

CSO: 3650/186

MILITARY

SWEDEN

STATE ARMS MANUFACTURING CONGLOMERATE CHIEF WANTS CHANGES

Stockholm DAGENS NYHETER in Swedish 4 Mar 85 p 18

[Article by Olle Rossander]

[Text] FFV [Swedish National Defense Manufacturing Agency] is a business agency that would rather not be one.

FFV would also like to be a stockowner corporation and change its name once again, but the employees, politicians and civil servants put a stop to that.

FFV is the only state agency that does not have the obligations that usually characterize state agencies.

Although the National Power Administration, the Telecommunications Agency, SJ [Swedish Railways] and the National Forests and Lands Agency carry out quite a few more or less business-oriented activities they all have at least one basic task.

That is not the case with FFV.

It took almost a whole year before the state found a new managing director to succeed Olle Lund who took the job as head of the Swedish Naval Shipyard.

Rune Nyman was enticed to Eskilstuna from the Wallenberg firm Pappersgruppen, Inc. by the highest salary paid to an agency managing director, 54,000 kronor a month. But in contrast to his colleagues he gets no extra increments, management payments or extra perks in the group.

Hard Question

It is obviously not the question of FFV's role and activity that was the deciding factor in the recruitment. When DAGENS NYHETER asked what he thinks the proprietors want to do with their unruly conglomerate, the answer came slowly.

"That is a hard question. I have not asked but I will do so.

"I imagine the owners have a dual aim. One is to guarantee some materiel production and services for the Swedish defense system and the other is to make sure that this enterprise, like most industrial enterprises, can maintain its profitability in the long run."

The profitability requirement and the emphasis on the market economy are characteristic not only of the newly-appointed managing director but of the entire FFV main office, or concern management as they prefer to call themselves in Eskilstuna.

Exposed to stiff competition and without any clearcut obligations, FFV has become perhaps the state's most commercialized business agency. The management also does its utmost to wipe out the image of a dreary business agency and tries to behave outwardly like any other big enterprise.

FFV, formerly the United Manufacturing Agency, formerly the Defense Manufacturing Agency, would like to change its name altogether, like State Enterprises which is now Procordia, and really become a regular business concern in the form of a corporation but with the same ownership.

Support from Politicians

But with the support of politicians and government officials the employees flatly rejected all plans of this kind.

The big difference between state business agencies and fully-owned state corporations involves independence.

A stock corporation is run by its state-appointed board of directors and an executive director named by the board. Business agencies are controlled much more strictly by politicians and in practice by chancellery officials. On many important questions, for example when investments, new construction and business purchases are involved, an agency must ask Riksdag and the government for permission in each individual case.

From the start the agency was created to take care of primarily the army's need for services and materiel maintenance. Then came the air force workshops and during the war the business agency form was taken for granted and the Defense Manufacturing Agency was set up.

Today FFV is exposed to competition in almost all its business areas. Volvo has landed some of the orders for maintaining the Viggen jet engines, Saab sells services as well as airplanes. When the army wanted to buy a new automatic carbine FFV's specially-produced weapon was rejected and instead the army once again purchased weapons from Belgium's FN [expansion unknown], although they are produced under license by FFV.

Bought Companies

Over the years FFV, like most business agencies, has formed and bought up a number of stock companies and is a kind of economic hybrid.

The business agency's position is being studied and the present agency management committee under the leadership of Sven Moberg is expected to suggest a somewhat more market-oriented form of management with about the same responsibility as a conglomerate's board of directors in the private business sector.

Within FFV, which in contrast to other agencies lacks concrete obligations, the management has long been fighting for new management forms that would allow FFV to avoid the intervention of Riksdag and the government as soon as there are plans to invest or transfer profits from one part of the agency to another, for example.

The proposals that are expected from the study met with a positive reception when they were presented to all agency chiefs a few weeks ago.

"We did not get what we wanted. This is only a half step or a quarter step forward, but we will have to be content with that.

"If we get the improvements Moberg has proposed we will have made a good deal of progress," said Rune Nyman, expressing himself cautiously on a sensitive topic.

"There is a lot of discussion about this and I have not been able to really get into the question but the current forms are perhaps not entirely successful. Perhaps some things can be changed."

Best Form

The employees' union representation is actively opposed to turning FFV into a stock company.

"What we have is the right form of ownership for this type of activity," said Erik Werner, chairman of the defense civil servants' union, pointing to the large number of tasks for the armed forces.

"The agency form gives the proprietors the best insight and control.

"We think it is important that the proprietors have real control," concurred Sven-Ake Overstrom, chairman of the state employees' union club.

Neither man said he had made, read or ordered any study or analysis that shows that control by the owner, the state, or by the public, for example journalists, would be better in a business agency like FFV or the National Forests and Lands Agency than in a state stock company like Procordia, formerly State Enterprises.

Nor did they claim apart from answering direct questions that a lot of the employees have better benefits and a lower retirement age as state civil servants than they would have if the agency was a stock company and the employees belonged to LO [Swedish Federation of Trade Unions].

Although Rune Nyman would like to go farther than the agency management committee wants to, there are limits to how far he would go.

"Going on the stock market would probably have a lot of positive effects but it would also create problems," he replied to a DAGENS NYHETER question.

More Civilian

In recent years FFV has become more and more like a civilian enterprise.

Close to 40 percent of sales now come from purely civilian activities and that development will continue, Rune Nyman thought.

"No one has said so to me so it is more a matter of belief on my part that the ownership would like to continue this development.

"Just like Saab we have been able to utilize military expertise to start up civilian production and it would be wise of the ownership to see the possibilities of further developing this into a business that can survive on its own merits."

The problem for FFV, as it is for other Swedish weapons industries, is that modern weapons technology has made it very expensive to develop new weapons and weapons systems. The costs call for mass production, which means exports. Export orders often require an initial reference order by the domestic market but even if one is obtained arms exports are difficult for Swedish firms.

"We must be extremely careful when we decide what to invest in to avoid being hit with these problems," the managing director said.

FFV's management feels that the current sale of the AT-4 antitank weapon to the United States is a unique deal that might be impossible to repeat. The orders that may be made this year will come in before the Swedish Army has had enough funds to buy the AT-4.

Throttled

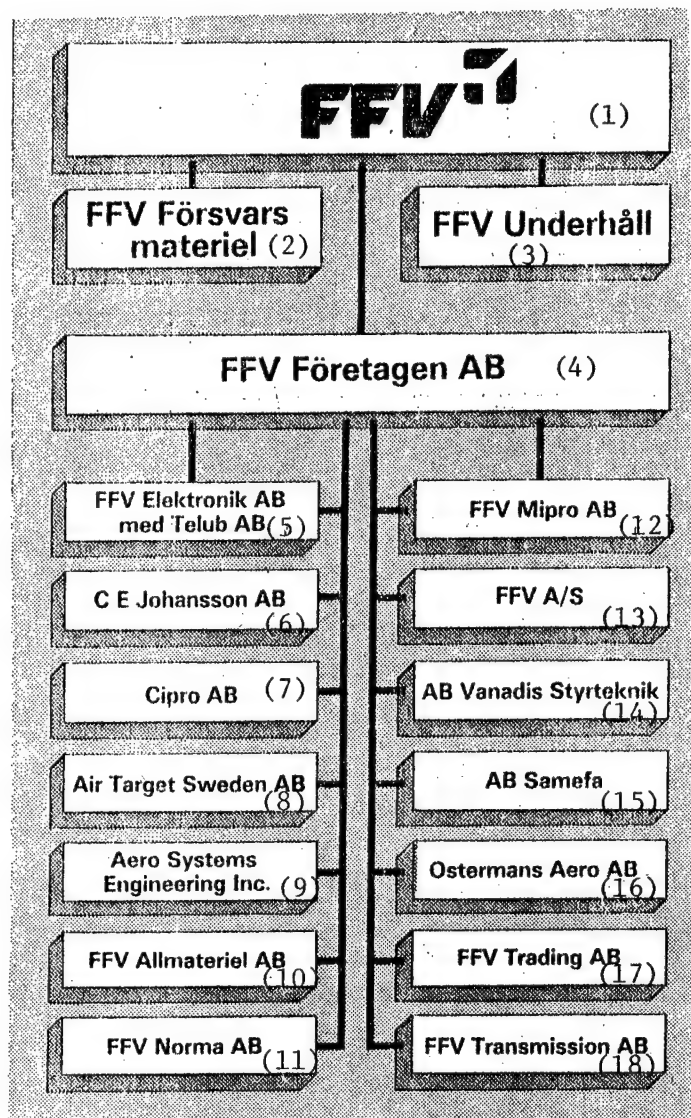
Commander in Chief Lennart Ljung pointed out during the recent People and Defense conference in Storlien that in the future Sweden must count on making big military orders together with other countries. Otherwise development and production costs will be too high.

Lennart Jansson, who was acting managing director for FFV and was for many years deputy economic chief and economic chief there, held the same view.

"Swedish orders are declining and if exports are throttled it will be hard for us to develop new products. Especially if protectionism gets worse.

"One consequence is that we must be more open to cooperation with other manufacturers and here our working form is not ideal since a business agency

cannot start a cooperative project with other stock companies without first going through Riksdag and the government.



- Key:
- | | |
|-------------------------------------|--------------------------------|
| 1. Defense Manufacturing Agency | 10. FFV Allmateriel, Inc. |
| 2. FFV Defense Materiel | 11. FFV Norma, Inc. |
| 3. FFV Maintenance | 12. FFV Mipro, Inc. |
| 4. FFV Enterprises, Inc. | 13. FFV, Inc. (Norway) |
| 5. FFV Electronics with Telub, Inc. | 14. Vanadis Control Technology |
| 6. C. E. Johansson, Inc. | 15. Samefa, Inc. |
| 7. Cipro, Inc. | 16. Ostermans Aero, Inc. |
| 8. Air Target Sweden, Inc. | 17. FFV Trading, Inc. |
| 9. Aero Systems Engineering, Inc. | 18. FFV Transmission, Inc. |

FFV's Different Divisions

(Figures are for 1983.)

FFV Defense Materiel: Manufactures antitank weapons, torpedoes, small arms, ammunition and civilian engineering products. Receipts: 832 million kronor. Employees: 2043.

FFV Maintenance: Maintains airplanes, helicopters, engines, etc. Receipts: 1.025 billion kronor. Employees: 3627.

FFV Enterprises, Inc.: Receipts: 1.207 billion kronor. Employees: 2304.

Subsidiaries

FFV Electronics, Inc./Telub: Consultant company for information technology, electronics, radar, telecommunications, sensors, etc. and sells computer service and electronic scales. Receipts: 401 million kronor. Employees: 1080.

FFV Allmateriel, Inc.: Sells surplus materiel from the armed forces and bankrupt firm stocks, factory consignment lots, remainders, etc. from civilian companies. Receipts: 180 million kronor. Employees: 152.

Samefa, Inc.: Manufactures special equipment for repairing wrecked cars after having lost an order for license plates for all automobiles. Receipts: 99 million kronor. Employees: 173.

C. E. Johansson, Inc.: "Matt-Johan" was bought from Incetive and in 1984 the loss was turned into a profit. The company manufactures and sells advanced technical measuring equipment and control equipment for the engineering industry. Receipts: 59 million kronor. Employees: 285.

FFV Norma, Inc.: Manufactures civilian small-bore ammunition. Receipts: 77 million kronor. Employees: 273.

Ostermans Aero, Inc.: General agent for helicopters, runs workshop for helicopters and carries out helicopter activities. Receipts: 54 million kronor. Employees: 111.

Cipro, Inc.: Vehicle electronics, automotive computer systems, etc. Employees: 103. [Receipts not given]

Aero Systems Engineering, Inc.: U.S. company for test equipment for airplane engines, doing poorly 1984/85. Receipts: 284 million kronor. Employees: 236.

FFV Mipro, Inc.: Manufactures ammunition equipment, firing systems. Receipts: 8 million kronor. Employees: 40.

FFV Trading, Inc.: The concern's counter purchasing company.

Air Target Sweden, Inc.: Equipment for airplane target shooting, hit indicators. Receipts: 10 million kronor. Employees: 30.

FFV, Inc.: Sales company in Norway.

FFV Development, Inc.: Contact organ for markets in United States.

JAS Industrial Group, Inc.: FFV owns 20 percent of the shares in JAS Industrial Group, Inc.

United Stirling, Inc.: Has been trying to develop the Stirling engine commercially for a long time. Receipts: 50 million kronor. Employees: 130.

6578

CSO: 3650/188

9 April 1985

MILITARY

SWEDEN

THUNBORG: SUPERPOWERS' INTEREST REDUCES SURPRISE ATTACK RISK

Stockholm DAGENS NYHETER in Swedish 27 Feb 85 p 6

[Article: "Risk of Blitz Attack Reduced"]

[Text] The increased interest of the superpowers for Scandinavia means that the danger of an isolated surprise attack against Sweden and Finland has been reduced,

At least, this is one result that should be mentioned, according to Defense Minister Anders Thunborg. Thunborg made this statement Tuesday when he spoke to the traditional TT (TIDNINGARNAS TELEGRAMBYRA) luncheon with Swedish editors in chief.

"We now see that the superpowers are monitoring each other more intensely here in the north, but the Nordic model remains intact, despite everything."

Thunborg believes that the Baltic Sea is of vital importance in Soviet defense planning and that the Soviet Union follows events in the Baltic Sea very closely.

The submarine intrusions must be seen in this light, according to Thunborg.

Anders Thunborg also commented on the Bodstrom affair.

"I am sure that there are many who agree with me that this affair should now be relegated to history."

The defense minister also stated that there was plenty of evidence concerning the intrusion in Harsfjarden, but that the technical evidence gathered later was less convincing.

9336
CSO: 3650/186

MILITARY

SWEDEN

BRIEFS

AIR-TO-AIR MISSILES FOR JAS--The government will invest about 100 million kronor to produce in Sweden the interceptor missiles which will be needed in the future for the Viggen and the JAS [Fighter-Attack-Surveillance aircraft] system. In this the government is going against the military leadership and the Defense Materiel Administration. In the planning phase it was assumed that the missiles would be purchased abroad, and there was doubt--mainly for economic reasons--about the Swedish alternative. "From the standpoint of security policy it is very appropriate that the Swedish missile competence be maintained at a high technological level so that we do not become dangerously dependent on overseas suppliers," said permanent secretary Per Borg in the Defense Department. According to the supreme commander's current plans, during the next 10 years about one billion per year will be spent on procurement of missiles. [Text] [Stockholm DAGENS NYHETER in Swedish 9 Mar 85 p 8] 9287

CSO: 3650/196

ECONOMIC

TURKEY

LOCATION, PRODUCTION OF ARMS INDUSTRY

Athens PONDIKI in Greek 22 Feb 85 pp 19, 27

[Text] The Americans and the West Germans have worn themselves out in trying to overcome all the obstacles that stand in the way of an easy and bountiful military-economic assistance to Ankara these days when, among other things, many strange (and partly...invisible) things seem to be happening in the Middle East. These wonderful people are particularly interested in the purely military aid which they will let their NATO count on a well-armed (and mainly self-sufficient in armaments) Turkey that is not influenced by...misfortunes such as the "embargo" of the last decade because of the Cyprus question.

For this reason the "big shots of the West" wish to provide strong support of the Turkish arms industry, which, on the other hand, has been developing with their assistance ever since 1975. It is, therefore, worth the trouble to take even a quick look at the situation of the Turkish arms industry in view of the fact that this field is developing into a SERIOUS ENEMY of Greece and is unavoidably leading us also to strengthen the corresponding field.

The Turks began to develop the arms industry substantially in the early '60's, with the technical and economic assistance of the USA and West Germany. Since 1928 they developed only the production of munitions--a field in which they are today TOTALLY SELF-SUFFICIENT for their national needs.

After the invasion of Cyprus and the "embargo," in 1975 the Turks created the National Service of Arms Industry as part of the Ministry of Defense. The following year they budgeted an allocation of 240 million dollars for the first phase of the development in this field.

What do the Turks produce in the arms industry field?

The Army

All types of munitions, with a specialty in explosives, that are produced in the powder and TNT plant in Ankara.

Small arms, where the G3 rifles are not considered good quality while the MG3 machineguns, the pistols, the anti-tanks launchers and demolition materials are considered to be of good quality.

Civilian type vehicles (there are five automobile plants in Turkey) and, in the military line, the assembling of Jeeps and 3/4 to 1 ton vehicles only.

The Turks have made considerable progress, since the establishment in 1974 of a tank maintenance shop at Arifiye, in the maintenance and rebuilding of tanks. The tank shop was built with West German assistance and can rebuild 20 tracked vehicles per month (M 48 tanks, M 113 TOMP, M 88 command and 48 bridge carriers).

It should be noted at this point that this shop is continuously increasing its technical capabilities thanks to the 180 million dollars the Americans have set aside from the "assistance" budget. At the same time, the Turks have made advances both in this sector and the tank shop they have set up in Caesarea.

The Turks have made considerable progress in electronics. In 1976 they founded an electronics industry, ASELSAN, which employs 500 people. The plant makes VHHF/FM transmitters, radios, coding machines, warning and control systems, etc. The capability in microelectronics is being expanded while they manufacture 51 types of batteries built to military specifications, all of which take care of the entire needs of the armed forces.

Navy

The naval industry of Turkey was developed after 1964 when the effort to build landing craft was begun. Ever since then more than 100 landing craft have been built (How do you think they are going to hit our islands when they need to?), 30 coastguard landing craft, destroyers and many auxiliary vessels.

Since 1980 Turkey's shipbuilding effort has been especially reinforced by West Germany and the USA in the submarine field. The same is true for the missile torpedo boats and the SAR-type patrol boats.

All of the above are built at the Turkilak and Kolcuk shipyards, which employ 5,000 people.

Air Force

There are four plants in this field at Eski Sekir, at Ekirlet and at Ismit. All this construction has been undertaken by the TOYSAS company. These plants have limited capabilities: rubber parts, external cargo carriers, etc. However, the Turks (and their Western friends) do not stop at these mediocre things. Therefore, the American boys have launched an aid program to build aircraft with a manifest interest and programs by General Dynamics and Northrop (well known to us). The Turks have already cleared the land for building the plant. They went ahead and expropriated an area in Myrten and are now waiting.

With the help of the Germans and the Americans the Turks have laid out a plan of "projects" for their armaments industry and in different fields, such as the manufacture of modern combat aircraft of the "F" type; combat helicopters; training aircraft and other related items. In addition, the ZEISS German firm is proceeding to set up a production unit for the manufacture of optical instruments for the fire-control systems of the tanks while another German firm, MAUSER, is involved in the manufacture of steel tracks for tanks.

However, nuclear ambitions hold a preeminent position in the future of the Turkish arms industry, the objective being:

1. The development of a nuclear reactor with sufficient power to produce fissionable material;
2. The transfer of the indispensable technology and the training of the scientific personnel;
3. The completion of the research for the exploitation of uranium deposits;
4. The development of close cooperation with Pakistan (transfer of technology) and Libya (economic cooperation) in the area of an atomic bomb, the so-called "bomb of Islam."

The basic obstacles to the development of the ambitious Turkish plans in the arms industry are the poor economic situation of the country, which, despite the tremendous economic assistance of its allies cannot withstand excessive expenditures, as well as the low level of domestic technology that does not permit very much assimilation of imported technology.

You can rest assured, however, that the Westerners will go overboard in trying to fill the greater part of the gaps because the role of the Turkish "gendarme" in the Middle East, and the East in general, has been decided in Washington. This is the basic reason that the USA is actually pressuring Ankara to give up at least part of its "national" aims against Greece.

A "settlement" of the Cyprus question and a series of "retreats" in the Aegean air space (matters which as a consequence interfere with NATO's effectiveness in the area because of Greece's inflexibility) would give the USA all the grounds for its open support.

What did you say?

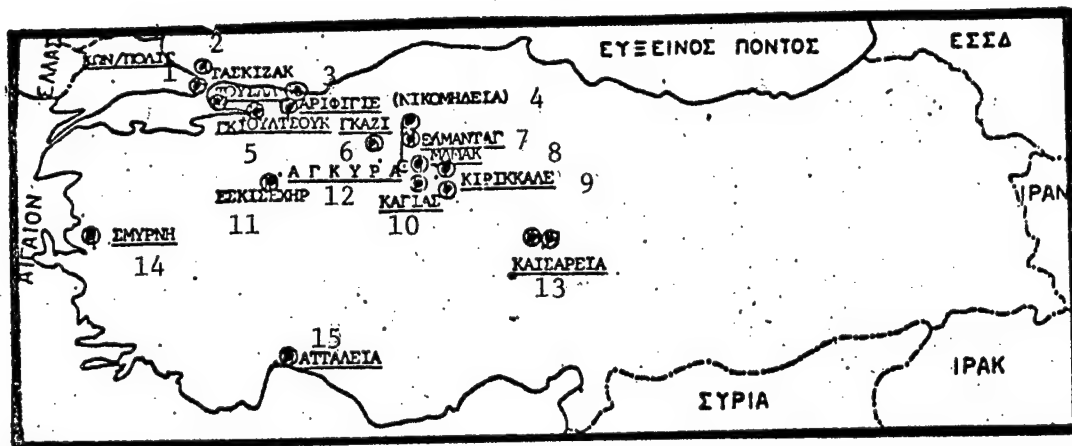


Table 1. Plants of the Turkish Arms Industry

Key:

1. Munitions (Istanbul)
2. Shipyard (Taskizak, Istanbul)
3. Vehicle Assembly (Tousla)
4. Tanks Maintenance (Arifiye [Nicomedeia])
Rubber Parts (Nicomedeia)
Electronics ASELSAN (Nicomedeia)
5. Kolcuk Shipyards (Nicomedeia)
6. Munitions (Gazi)
7. Chemicals-Gunpowder (Elmantag)
8. Munitions (Mamak)
9. Small Arms (Kririkale)
10. Explosives (Kaya)
11. Aviation (Eski Skhir)
12. Munitions/Small Arms (Ankara)
13. Tanks Maintenance, Aviation (Caesarea)
14. Anti-tank Launchers (Izmir)
15. Batteries (Attalyia)

9731

CSO: 3521/201

ECONOMIC

DENMARK/GREENLAND

GOVERNMENT LEADER POINTS OUT IMPORTANCE OF SEAL HUNTING

Copenhagen AKTUELT in Danish 6 Mar 85 p 14

[Article by Bjarne Kjaer: "Greenland's Government Head: 'Missionaries' Threatening Greenland's Existence"]

[Text] Reykjavik. Greenland government head President Jonathan Motzfeldt is going to the attack on what he characterizes as "self-appointed environment missionaries who are threatening the existence of the entire Greenland community."

The government president's temperament struck sparks when he, during the Scandinavian Council's session in Reykjavik, just as his Faeroese colleague Atli Dam, thundered against the Socialist People's Party's Margrethe Auken, who followed up the criticism by the EC Commission's environment committee of the killing of whales by the Faeroes and Greenland.

"Twenty-five percent of Greenland's population has seal hunting as its main occupation--without other means of existing. But over recent years seal skin prices have taken such a terrible dive that it is completely uneconomical to sell seal skins at the moment. This is a very serious situation for the entire Greenland community. The cause is first and foremost the self-appointed 'missionaries,' like, among others, Brigitte Bardot and Socialist People's Party Folketing Member Margrethe Auken. They are trying to create a picture of Greenland which is not true," Motzfeldt tells AKTUELT.

"The people of Greenland are totally dependent on seal hunting. We live off it. We hunt seals because we must use the meat. We cannot get fresh meat if seals are not shot."

Jonathan Motzfeldt finds it to be total nonsense when Margrethe Auken follows up the criticism by the EC's environment committee and Greenpeace of the killing of whales by the Faeroes and Greenland.

"As far as the threatened species of whales are concerned, we agree with the Whaling Commission. They are totally protected."

"As far as the big whales are concerned, we have accepted the Whaling Commission's quota. We hunt only eight of these whales a year. There is also

a quota on the smaller lesser rorquals, and we observe the quotas. It is therefore unreasonable when it is claimed that we are not following the international rules. On the contrary, we have totally adapted to the biological expert knowledge," Jonathan Motzfeldt says,

The debate regarding the killing of whales was raised by Eidur Gudnason of the Icelandic Social Democratic Party. He characterized it as "economic terrorism" when people who know nothing of the culture and life in the northern regions--and who, incidentally, have sufficient money--threaten boycotts of, for example, Icelandic fish and Icelandic airlines, if Iceland does not limit its hunting of whales.

Jonathan Motzfeldt said during the debate at the session that Greenland has a preservation policy and that they "live together with the animals."

"In Denmark the 'missionaries' live together with pigs, cows and cooped chickens. We support those people who want to spare cooped chickens and pigs, but our situation must be understood. We have no choice. We eat whale and seal meat. What we catch we eat in order to survive," Motzfeldt says.

8985

CSO: 3613/126

ECONOMIC

FINLAND

BRIEFS

INCREASED TRADE WITH IRAN POSSIBLE--Finland's exports to Iran could double this year to around 900 million marks provided that at the same time we increase our oil imports from Iran to a total value of around 1.3 billion marks. The matter was discussed during Iranian Deputy Foreign Minister Kazempour Ardabili's 2-day visit to Helsinki which ended yesterday. Last year the oil Neste imported from Iran had a value of around 700 million marks. Thus imports would also double but the relative deficit would decline. At Neste, which has already made relatively large oil purchases from Iran, they said it would take several more weeks to figure out the value of the counter-purchase deal. Iran's oil exports were recently reported to be around 1.5 million barrels a day. At a rough estimate this would give that country oil revenues of around 120 billion marks a year. According to unofficial reports the war with Iraq requires arms imports worth around 10 billion marks a year while civilian exports [as published] of food, medical supplies and industrial raw materials account for the remainder of the export revenues. [Text] [Helsinki HUFVUDSTADSBLADET in Swedish 2 Mar 85 p 1] 6578

CSO: 3650/197

ECONOMIC

GREECE

BALANCE OF PAYMENT DEFICIT DUE TO HIGH FUEL IMPORTS

Athens TO VIMA in Greek 6 Mar 85 p 17

[Text] The foreign currency brought in by higher exports in 1984 was spent on fuel imports. This is what becomes apparent from the data of the nation's balance of payments which were published yesterday. The result of this development was that the balance of the trade deficit for 1984 remained at the same level as that of 1983.

The nation's fuel payments rose from \$1,922 million in 1983 to \$2,145 million in 1984, and thus the balance of the trade deficit for 1984 was \$5,379 million versus \$5,386 million in 1983. Imports showed a small increase (3%) and totalled \$9.7 billion versus \$9.4 billion in 1983, whereas in 1982 they were over \$10 billion. The nation's exports in 1984 reached \$4.4 billion versus \$4.1 billion in 1983.

In contrast to the relatively favorable development of the nation's balance of trade, the deficit in the balance of current transactions, which includes invisible receipts and invisible payments, showed an increase of 16%, and it totalled \$2,183 million in 1984 versus \$1,876 in 1983.

This development is chiefly due to the decrease in foreign currency from the merchant marine because of the continuing international crisis in the merchant marine, which amounted to \$1.1 billion in 1984 versus \$1.3 billion in 1983.

The nation's withdrawals from the EEC also decreased to \$715 million from \$834 million in 1983, a fact which, according to the evaluations of experts, is due to a lag in the withdrawals from the EOK which are going to be paid to Greece this year. On the other hand, foreign currency from tourism reached \$1,315 million versus \$1,176 million in 1983.

Invisible receipts showed a 4.8% decrease in 1984 and totalled \$5,265 million versus \$5,529 million in 1983. Invisible payments were \$2,068 million in 1984 versus \$2,019 million the previous year.

Imports of foreign capital from the private sector reached \$874 million in 1984 and an increase was noted in the inflow of foreign currency from Greeks residing abroad for deposits and real estate purchases. Capital imports from the public sector, which include the nation's foreign borrowing, also showed

an increase. In 1984 the public sector proceeded to import \$1,612 million versus \$1,385 in 1983.

With this flow of capital, the foreign currency that came into the country reached \$2,486 million, an amount which more than covers the deficit in the balance of current transactions. This can also be seen by the increase in the nation's foreign currency reserves, which totalled \$1,103 million at the end of 1984 versus \$1,042 million in 1983.

12278

CSSO: 3521/215

ECONOMIC

GREECE

DECISION ON ALUMINA PLANT LOCATION

Athens ETHNOS in Greek 8 Mar 85 p 21

[Text] The alumina plant will be built in Vounikhora, Fokis. The location of the largest plant to be built in Greece in the last 20 years was selected by six ministers, and their choice was announced yesterday by the minister of the national economy, Mr. Gerasimos Arsenis and the alternate minister, Mr. K. Vaitsos.

Mr. Arsenis declared that the criteria for establishing the plant in Vounikhora were the following:

The landscape of Delphi would not be marred. Which was also confirmed by the unanimously positive response of the Central Archaeological Council.

It will boost the development of a backward area.

"In selecting the area for one of the most important investments," Mr. Arsenis emphasized, "we had to take into consideration not only costs and financial returns but also regional development. And this is the reason why the decision was not made by the ministry of the national economy."

Now that the decision has been made, dates for beginning the construction of the plant become effective. Mr. Vaitsos emphasized that studies on the project are reaching their final stage and that soon, before Easter, the all-inclusive agreement with the Soviet Union and Bulgaria, who will be purchasing the alumina, will be signed.

The plant will be built by a Soviet firm and will be ready to function within four years.

This is a \$450 million investment, and it will provide jobs for 700 workers. Another 3,000 individuals will be employed in its construction during the four years.

It will produce 600,000 tons of alumina, 380,000 tons of which will be purchased by the Soviet Union and 200,000 tons by Bulgaria

The ETVA [Hellenic Industrial Development Bank], which with its affiliate "Hellenic Alumina" is responsible for the project, recommended the location.

On the basis of this recommendation and criteria related to costs, regional development and the environment, the final decision was reached at a conference in which all six of the competent ministers participated (Arsenis, Vaitsos, Tsokhatzopoulos, Koutsoyiorgas, Kouloumbis and Merkouri).

12278

CS0:3521/2155

ECONOMIC

GREECE

NORTHERN GREECE GOLD DEPOSITS

Athens TA NEA in Greek 9 Mar 85 p 1

[Text]The alluvial deposits of gold which have been localized so far in the area of Northern Greece total 6,500 kilos (decade of '74-'84), while the amounts spent for this kind of prospecting, totalling 220,000,000.00 drachmas were covered by the program of public investments.

The minister of energy and natural resources, Leftheris Verivakis, referred to this yesterday in Serres at a press conference, and he added that:

Prospecting in the Nigrita area is in its last stages. In the locality of Aghios Mandilios 114 test drillings were made and 1,850 kilos of alluvial gold deposits were found.

To control in practice the deposit's conditions of exploitation and determine precisely the cost factors of production a pilot plan unit was established on the spot which started functioning about five months ago.

This is the first time, the minister added, that such a gold-mining installation is being built by a public organization in our nation. With that unit, said Mr. Verivakis, we will try to verify the existence of the deposits and running costs, so as to create another industrial unit to exploit gold.

In the Khimarros area of Serres prospecting is progressing. A 2,300 kilo deposit of gold has been localized after carrying out 50 crust drillings.

Prospecting will continue this year also, with greater intensity.

In Makropotamos, Rodopi, prospecting is almost finished. The IGME [Institute For Geological And Mineral Research] has found a 2,300 kilo gold deposit.

In the Evros Arda river a small deposit of gold, which is not exploitable on its own under present economic and technical conditions, has been found. The eventuality of exploiting it in conjunction with the Makropotamos, Rodopi, and Khimarros, Serres, deposits is being examined.

ECONOMIC

ICELAND

INCREASING FISH CATCH FAILS TO PROVIDE BRIGHT ASPECT IN ECONOMY

Big Tonnage Increase

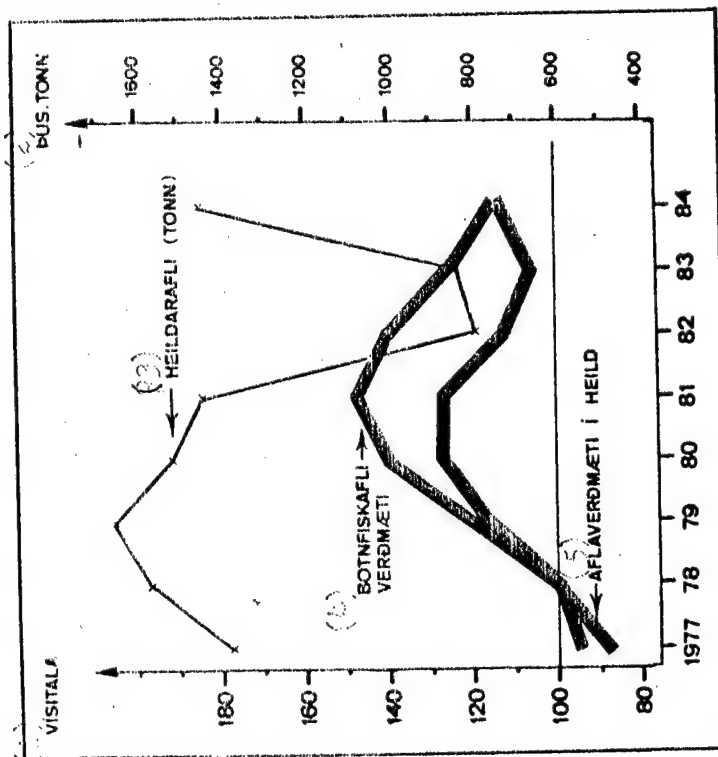
Reykjavik MORGUNBLADID in Icelandic 6 Jan 85 p 2

/Excerpts/ The National Economic Institute has made a comparison of fish catches for the past few years and also of the value of the catches. For 1984 the figures are estimated. The total catch for 1984 shows a considerable increase over 1983, particularly due to the capelin catch total of 858,000 tons compared to 133,000 tons in 1983. The cod harvest decreased by 22,000 tons in 1984 and total catches of demersal species fell by 29,000 tons.

Total catches in tons increased by 79.2 percent in 1984, but only by 7.5 percent in value taking inflation into account. Discounting the capelin catch, there is a 6.2 percent decrease in value in 1984 compared to 1983. The years 1982 and 1983 saw a considerable decrease in catches compared with previous years, during which both capelin and cod catches fell off considerably. The cod is much more valuable than the capelin, as may be clearly seen in the accompanying table and graph /details not shown in excerpted table/.

Fish Catches by Tonnage and Value 1977-1984

	1977	1978	1979	1980	1981	1982	1983	Estimate 1984
Catch--1000 tons	1,374	1,566	1,649	1,514	1,441	788	835	1,496
Percentage change from previous year	39.3	14.0	5.1	-8.1	-4.8	-45.4	6.3	79.2
Indexed value	13.0	9.1	16.6	8.8	-0.2	-12.0	-5.2	7.5
Total catch	4.6	7.0	20.2	15.5	2.0	-2.4	-7.1	-6.2
Total catch without capelin								



- Key: 1. Index
 2. 1000 tons
 3. Total catch (tons)
 4. Demersal species--value
 5. Total catch value

But Income Increase Lags

Reykjavik MORGUNBLADID in Icelandic 8 Jan 85 p 9

/Commentary by 'Staksteinar' /

/Text / The cod catch decreased by 22,000 tons in 1984 compared to 1983 and total catches of demersal species decreased by 29,000 tons. On the other hand increased capelin catch caused the total catch to increase by 79 percent. However, the value of the catch only increased by 7.5 percent taking inflation into account. Discounting the capelin catch, there is a 6.2 percent decrease in value compared to 1983.

Cod Most Important

The cod is the most important fish to the Icelandic economy. Graphically speaking, it has been on a steady downhill journey since 1981:

1981	461,000 tons
1982	382,000 tons
1983	294,000 tons
1984 (est)	272,000 tons

The capelin catch was 858,000 tons in 1984 (133,000 tons in 1983). This tremendous increase in the capelin increased total catch value by 7.5 percent indexed. On the other hand, catch without the capelin decreased in value by 6.2 percent compared to 1983. Less capelin catch is expected for 1985 than 1984.

Economic Growth--Standard of Living

The economic growth which has influenced the nation's standard of living during the past decades has been mostly due to the fishing industry (including improved technology). Three-quarters of the nation's foreign currency earnings have been based on fish.

Limits on catches, now considered necessary for the protection and development of the fish stock, forces economic growth, also known as improved standard of living, to seek other pastures, at least for the next few years. Production limits on agricultural products due to overproduction for the domestic market do not hold out much hope in this area, at least not for a while.

Our international trade balance has been disadvantageous since 1979 and at the same time debt has piled up year after year. An ever increasing proportion of our export income goes to foreign financiers to pay for foreign debts. This development has shrunk the nation's purchasing power and reduced the people's standard of living.

New Pastures Must Be Sought

The time has come to stop and think about new directions. In the first place domestic savings must be encouraged, for example by tax and interest rate incentives, to make the nation less dependent on foreign borrowing, and in order to make life more economically advantageous for people and to eradicate international trade deficit. Thirdly, financing must be based on returns, making it available only to paying businesses supporting a better standard of living.

In order to realize these goals initiative and economic development must be encouraged. Such encouragement will hardly be forthcoming from faltering parties such as the People's Alliance whose only solutions are centralization combined with ever increasing taxation. Nor is the answer to be found in the bitter internal struggles deemed necessary by the opposition parties prior to their entrance on the governmental scene which they continue to promote.

On the contrary, the prerequisites for economic redevelopment are increased freedom and stability in economic life, the distinctive feature of our international competitors and of conditions in Western welfare states.

Product Development--Market Development

Along with shoring up the nation's economy, development of products and of new markets must be stressed, as advantageous international trade is one of the main hope for future wellbeing of the nation.

By far the largest market for our products in Western Europe (EEC and EFTA countries). These countries buy approximately half of our export production. On the other hand, we buy 60 percent of our imports from these countries, resulting in a trade deficit.

Our most advantageous market is the United States. They bought almost 30 percent of our exports in 1983 (worth 5,266 million kronur) but sold us 8 percent of our imports (worth 1,622 million kronur) in 1983. They are our only market to provide us with an appreciable amount of free exchange currency. The Soviets bought Icelandic products for 1,385 million kronur in 1983, but we bought 2,133 million kronur's worth of goods from them.

The nation's standard of living depends upon increasing the value of our products and on advantageous international trade, and therefore these should be our main concerns.

Encouraging Fish Exports

Reykjavik MORGUNBLADID in Icelandic 13 Jan 85 p 64

/Excerpts/ Estimated gross value of the nation's ocean fish catch for 1984 is almost 8.5 billion kronur, compared to less than 6.2 billion for 1983. This is an increase of 37 percent. Income figures from fish exports in 1984 are not available, but as of 30 November the amount was 14.8 billion kronur, or 70.9 percent of all export income at the time. At the same time the Fisheries Association estimated the value of fish products stock on hand at 5.7 billion kronur. According to a survey made by the Fisheries Association, 1984 was the third best catch year in the history of Icelandic fishing.

The Fisheries Association predicts the final total catch figures for 1984 to be approximately 1,537 thousand tons, compared to 838,686 tons in 1983. The first year on record for over one million tons was 1965. The biggest catch so far was in 1979 with 1,648,600 tons, and the next 1,566,200 tons in 1978.

The division of the catch (demersal species only) in 1984 was as follows: Small boats 213,247 tons, trawlers 338,206 tons, total 551,453 tons. Comparative figures for 1983: Small boats 258,359 tons, trawlers 346,320 tons, total 604,679 tons. Cod catch alone in 1984: Small boats 127,747 tons, trawlers 146,725 tons, total 274,472 tons. Comparable figures for 1983: Small boats 156,633 tons, trawlers 137,247 tons, total 293,890 tons. Accordingly trawlers increased their cod catch by 9,468 tons whereas small boats decreased by almost 30,000 tons.

Foreign catches in Icelandic waters in 1984 was as follows: Faroe Islands 8,541 tons, including 2,041 tons of cod. Belgium 782 tons, including 118 tons of cod (these figures are as of 31 July). Norway 459 tons, including 47 tons of cod. Total 9,809 tons, including 2,206 tons of cod.

Finally it is pointed out that December 1984 showed an increase of 7,045 tons over December 1983, with small boat catches increasing by 2,436 tons and trawlers by 4,609 tons.

9981

CSO: 3626/13

ECONOMIC

ICELAND

GOVERNMENT ACTING TO SELL OFF STATE-OWNED ENTERPRISES

Helsinki HELSINGIN SANOMAT in Finnish 9 Feb 85 p 32

[Article by Marjatta Isberg]

[Text] Reykjavik—Iceland's Industry Minister Sverrir Hermansson has put his broom to work sweeping up. According to profitability calculations made by a private consulting firm, personnel and equipment have been reduced and managers replaced in several state companies.

Following the current government's platform, the minister of industry has also tried to sell off those state-owned companies that are considered to be better suited to the private sector. So far, however, only two companies have been sold: a cannery and a metal industry firm.

While other state companies are being offered for sale, the Heavy Industry Committee, which comes under the Industry Ministry, is investigating opportunities for cooperating with foreign companies in different fields.

In the planning is the construction of a second aluminum plant in addition to ISAL [Icelandic Aluminum Company], a subsidiary of ALUSUISSE [Swiss Aluminum Company] now operating in the country. The final negotiations have been conducted with ALKAN [expansion unknown]. The Icelanders' object is to obtain foreign financial backers for their heavy industry while they supply the energy and the labor force.

The steps undertaken by the Industry Ministry are part of an entire reorganization of the national economy. In addition to a tight budget, the government is trying to promote domestic economies. Attempts to improve the trade balance have, however, produced only few results. While exports quantitatively increased last year, imports increased more than exports.

11,466
CSO: 3617/70

ECONOMIC

SPAIN

LAWS REGULATING SMALL FOREIGN INVESTMENTS TO BE LIBERALIZED

Madrid ACTUALIDAD ECONOMICA in Spanish 7 Feb 85 pp 27, 29

[Article by Jose A. Roca: "Simpler, Clearer, More Liberal"]

[Text] The minister of commerce has already prepared the new foreign investment regulation. Although it revises and updates all the existing legislation, it is "technically bad" in the opinion of experts. However, it takes a new step in the liberalizing process, clarifies the law, introduces some new elements--subsidiaries of individuals, treatment of rent--strengthens the investment register and gives greater responsibilities to intermediaries like public fiduciaries, banks, etc. It is definitely a clearer, newer and more liberal regulation but it comes with negative findings from the Council of State.

In the eyes of the experts, the first thing that stands out is the technical flaws which have led to the negative findings from the Council of State. "The regulation is technically weak. The participation of lawyers is conspicuous by its absence. The negative findings from the Council of State are logical, especially because of the fourth final provision which stipulates the partially repealed laws. These laws are barely stipulated which creates confusion and a situation of helplessness," the head of a prestigious law office told ACTUALIDAD ECONOMICA.

Liberal Spirit

The regulation is an important step forward in the process to simplify and liberalize foreign investments since it authorizes in general (Article 6) all investments less than 250 million pesetas except those in sectors with special regulations like the sectors related to national defense, electronics and information, basic chemistry and sectors in reconversion. The ceiling that before had been timidly placed at 25 million is now 10 times higher, substantially simplifying the procedure.

The increase in the ceiling has been extended to the different procedural levels, taking this task from the Council of Ministers. It will have to authorize foreign investments in newly constituted corporations, acquisition of shares and capital expansions when the contribution exceeds 500 million and 50 percent foreign participation in business capital as well as investments which include one of the two requirements so they fall under specific or special legislation (Article 33).

Investments must be authorized by the Ministry of Economy, Finance and Commerce when they fall between 250 million and 500 million with more than 50 percent foreign participation. The General Directorate for Foreign Transactions will authorize or verify investments of less than 250 million pesetas.

Some New Elements

The new regulation which contains many clarifications, details, etc., also offers some new elements like the appearance for the first time (Article 1 and Article 13) of the term "subsidiaries of individuals" as holders of foreign investment. Another is the treatment of building rent (Article 27) which specifies that "it will be transferrable abroad as long as the acquisition price is completely paid and the owner is caught up on tax obligations for the building."

Another liberalization refers to access to domestic credit. There had already been some liberalization on this but now it is completely clarified by pointing out that "physical persons not residing in Spain and the subsidiaries and establishments of foreign corporations in Spain can apply for domestic credit after administrative authorization" (Article 15).

Strengthening the responsibility of the public fiduciaries is one of the aspects of the new regulation that the experts point to as "very positive" along with strengthening the responsibility of the financial intermediaries.

Article 29 indicates that the public fiduciaries "must require individuals to show the documents that certify that they have obtained the authorization required by foreign investment legislation in Spain."

Eye on Nationalization

The problems derived from foreign investments of French nationalized enterprises, one of the most important business groups in Spain after the INI [National Institute of Industry], are handled in the new regulation. The second additional provision states that "the governments and all those official entities of foreign sovereignty will require special authorization." It explains "governments and official entities mean the foreign states, entities of foreign sovereignty, foreign official and public entities and foreign public enterprises."

The fourth additional provision explains that "authorizations of private foreign corporations will expire if the corporation is nationalized." At that time, the investments will require special authorization that can be granted when there is a diplomatic reciprocity system or when the foreign participation does not mean effective control of the Spanish enterprise or corporation.

The clarification of the law also affects portfolio investments. Until now, there has been the question of whether the limit of 50 percent affected operations on the Stock Market so that they would be subject to prior authorization. Recent operations like those of Urbis or Koipe presented this problem. Now the regulation settles the question (Article 11) by specifying that "foreign

investment can be made without administrative authorization as long as the total foreign participation does not surpass 50 percent of its capital or the percentage indicated in the specific legislation. In order to have a higher percentage, prior administrative authorization will be necessary. Once obtained, the increase in the percentage of participation by purchase on the Stock Market as well as the transaction of shares on the Stock Market between foreign investors can be done freely." In any case, it will be simpler, clearer and more liberal.

7717

CSO: 3548/95

ECONOMIC

SPAIN

PUBLIC EXPENDITURES TO REPLACE AUSTERITY MEASURES

Madrid CAMBIO 16 in Spanish 18 Feb 85 pp 60-63

[Article by Javier Gilsanz: "Dreams of the Government"; passages enclosed in slantlines printed in italics]

[Text] The time has come after 2 years of harsh adjustment to offer social improvements. The economy permits it and elections are in the air. CAMBIO 16 unveils the government investment projects until 1987 that try to modernize the country and improve public services.

The state is going to invest 4,615,000,000 pesetas /daily/ between 1985 and 1987 to modernize the country and offer the citizens more and better public services. If the government wishes are fulfilled, by 1987 all Spaniards will have health care, including dentistry, psychiatry and home medications. All children from 4 to 15 will be in school (today there is not room for 330,000 children). At 16 they can expect to choose between taking professional training or intermediate studies. The citizens of Santander and eight other cities can hear music in new auditoriums while 50 percent of the movies in the theaters will be Spanish like in other countries (now 22 percent). Basic housing needs will be met. Houses will be lower in height, more accessible to low-income people and easier to rent. There will be nine new jails, more judges and more courts, reducing, expediting and making judicial processes less expensive. The hydraulic resources of dry Spain will increase, more than 200,000 hectares of dry land will be irrigated and almost 6 million people will see their water supply problems taken care of. Transportation will cost more in exchange for improving the public enterprises. Renfe will "only" lose 110 billion. About 200 major cities will no longer have highways come through their downtown areas. It will take 1.5 hours less to go by car from Madrid to Zaragoza, for example, About 46 million tourists will invade us and spend more foreign currency.

It certainly seems like a dream. However, these and many other medium-term objectives are in Volume III of the 1984-87 Economic Program about to be sent to Parliament. CAMBIO 16 had exclusive access to this. It contains quantified objectives accompanied by measures and investments to achieve them. Miguel Muniz, secretary general of economy and planning, told this magazine: "It is not an electoral program nor a Viva Cartagena! We have made a plan knowing the

administration and keeping in mind what we can and know how to spend. We have ranked the objectives, creating a /framework/ that will be filled in with the budgets for each year."

It is time for the counterparts, time to send "another message." The worst of the /adjustment/ is over and elections are already in the air. Felipe Gonzalez, Alfonso Guerra and even Boyer himself are in the new wave. The economy (record inflation and exports, reduction of labor costs, interests going down, reconversion in progress...) has been corrected and the second phase can begin: the counterparts. Alfonso Garcia Santacruz, general director of the plan, pointed out: "It is a matter of advancing in solidarity, in the counterparts to the adjustment, favoring those who have suffered the sacrifices of these 2 years most and the underprivileged, modernizing the country and improving its services now that the economy is on the road to sustained growth."

Miguel Muniz indicated: "The slogan of this plan might be to /do more with less/. You can see that public investments go down in real terms beginning in 1985. However, we are going to do more things. How? By investing more in improvements than in new things and managing the investments well. This is the real challenge we have."

The 5 /billion/ big ones that the state (the central administration and the autonomies with budget funds) are going to invest are the maximum possible expenditures. More would affect the public deficit. Also there is a management ceiling. Muniz explained: "Even if we did not have a deficit and could spend 400 billion more, we would be throwing money away. The administration does not have any more management capacity to use. Proof is that we have sent the investment proposals to each ministry and none has asked us for more money even though investments are going down."

Public investment goes from 1.43 billion in 1984 to 1.72 billion in 1987 (1.65 billion and 1.67 billion in between). What are the priorities? On one side, it is a matter of /increasing/ the supply of certain public services and demands: justice, culture, hydraulic infrastructure, health, research and everything that can help fight poverty. It is a matter of ending underdevelopment and approaching European standards. Also it is a matter of /improving the quality/ of other goods and public services that are almost at European levels but have poor quality: health, education, highways, housing and tourism.

In justice and culture, "we are closer to Africa than Europe." This is also true of public works infrastructure. The justice system has inadequate organization, inadequate staffs and old and inadequate prisons which they will try to resolve with a package of laws and investments in staffs, installations, judges and information to simplify and make trials less expensive for citizens. In culture, the situation is desolate: 43.8 percent of the Spaniards does not even read newspapers, 66 percent does not visit museums and exhibits, only 25 percent participates in sports and only 10 percent has any artistic inclination....The idea is to especially encourage theater, libraries, music and Spanish movies, establishing two large movie studios. In infrastructure, half of Spain has a water shortage and many cities still have problems with water supply or sanitation. This will be alleviated with dams, canals and water supply.

In health, the objective is for all Spaniards, as Spaniards, to have the right to health care (2.7 million people do not today). Social Security should cover dentistry and psychiatry and preventive medicine be improved which will save money. In education, the great objective is to educate all children between 4 and 15 (today there is only the EGB [expansion unknown]); increase the pre-school education rates (12,000), BUP [expansion unknown] and professional training and reform education in general to make it more practical and adapted to future employment. In housing, the solution is not to build a lot but to meet regional shortages and provide housing for the lower classes, reducing the cost of housing and facilitating rentals.

Making transportation modern and efficient is a basic condition so that the country grow and compete. The different modes of transportation will be made more efficient (trains will earn something) and fares will be closer to costs to keep Iberia, Aviaco and Trasmediterranea from losing money and to improve Renfe's deficit. The highway plan is very important, not building new roads but improving the current ones. Roads must be fixed and 2,359 kilometers of highway put into operation by 1991 (Madrid-Zaragoza, Madrid-Valencia-Alicante, Madrid-Sevilla, Madrid-Portugal, Adanero-Tordesillas-Benavente and Burgos-Valladolid-Tordesillas).

Two classic sources of wealth, tourism and fishing, will be /reconverted/. Specific tourism will be strengthened. A marketing plan will be designed and the entire hotel network will be modernized (creating a network of motels). This will increase the number of tourists (to 46 million) and, especially, the amount of foreign currency (to \$1,435,000,000).

In fishing, the fleet will be reorganized (reducing it by 1,464 ships and re-converting others) and the national fishing area organized and improved (investing strongly in marine farming). International fishing areas will be found and worked with joint fleets with other countries.

Miguel Muniz stated: "The second slogan of the plan could be /change the way the state intervenes/. The state has to reduce risk, intervene to open new markets, facilitate the processes of technological transfer and inform the enterprises about the possibilities of the future." He explained that this is the objective of the last part of the plan which covers modernization of the economy with the introduction of technology in all processes, the development of communications and the establishment of a number of sectors considered to be future-oriented: certain agricultural and livestock productions, forestry, the food industry, energy, electronics and information, defense, aeronautics, biotechnology, new materials, advanced chemistry, tourism, transportation and services.

Muniz added: "All this should modernize the economy, once adjusted, and increase the productivity of the enterprises. This could lead to division of labor and increased idleness. Idleness is also very important because it will generate a series of economic industries and activities." Garcia Santacruz insisted that this entire proposal will benefit those who have suffered most from the adjustment. He added: "In other countries, the rightist governments also emphasize economic adjustment policies but they stay there and do not emphasize the counterparts. We and the Swedes are the only ones. It should be noted that we are socialists."

ECONOMIC

SWEDEN

EXPORTS EXPERIENCE SUDDEN SURGE AS TERMS OF TRADE IMPROVE

Stockholm DAGENS NYHETER in Swedish 6 Mar 85 p 11

[Article by Jan Magnus Fahlstrom]

[Text] Swedish exports did very well toward the end of 1984. Competitive-ness improved as a result of declining relative prices and an increase in Sweden's share of the market for manufactured goods.

This positive picture of how industrial sales abroad turned out is given in a report from the Swedish Board of Commerce that contains the latest figures on Sweden's exports and its share of the market.

For the entire year of 1984 Swedish exports increased in volume, i.e. excluding price changes, by 7.9 percent compared to 1983. The whole increase stemmed from exports of manufactured goods, which rose by 11.9 percent.

The increase in Swedish exports was due mainly to a growing market, especially in the industrialized countries. The increase in Sweden's share of the world market for manufactured goods held at 0.5 percent for the whole year from 1983 to 1984. Sweden's relative price--Swedish export prices in relation to those of competitors--rose by 1.75 from 1983 to 1984.

Thus the figures for the entire year present a picture of 1984 that contains disturbing elements. The export volume increased as the market grew during the economic upturn. But Sweden's share of the market stagnated and the Swedish relative price rose.

Less Clearcut

A comparison of the first and second halves of 1984 shows that Sweden's share of the market for manufactured goods declined by 3.6 percent in that period.

But when one follows developments from one quarter to the next, as the Board of Commerce does, the impression is less clearcut. The diagram below clearly shows the connection between relative price and market share. A lower relative price leads to increased competitiveness and, after some delay, to an increased market share.

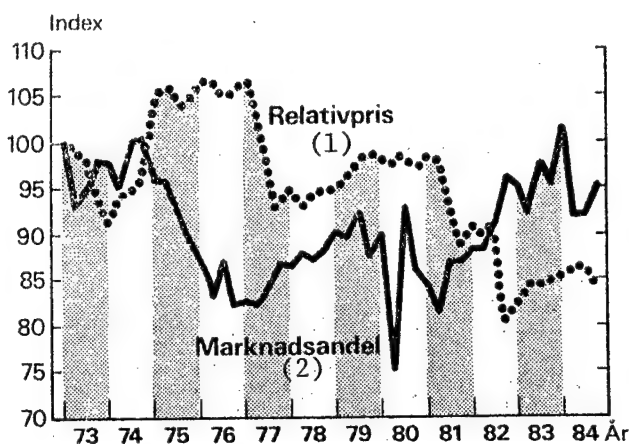
The diagram shows these effects of the devaluations of 1977, 1981 and 1982. The increase in market share after the most recent devaluations reached its peak in the first quarter of 1984.

Despite the fact that the market share fell sharply in the second quarter, the previous peak pulled up the figure for the first half of the year so that a comparison with the second half of 1984 shows a declining market share.

But as the diagram shows the market share curve rose during the third quarter and rose even more during the fourth quarter. Sweden regained some of what it had lost in the second quarter.

The diagram also shows that relative price rose from the beginning of 1983 to the third quarter of 1984. We drew on the devaluation gains, as they say.

But in the fourth quarter of 1984 relative price declined again while market share grew. Thus both curves are pointing in the "right" direction.



Sweden's Market Share and Relative Price

Sweden's share of the export market for manufactured goods (seasonally-adjusted value in fixed prices) and the relative price of Swedish export products. Quarterly changes. Index: first quarter of 1973 = 100.

Key: 1. Relative price 2. Market share

Rapid Growth

Swedish exports increased by 8 percent in volume between the third and fourth quarters, the report says. The increase was greatest for raw materials and

ships. But exports of manufactured goods also showed a rapid growth of 5.5 percent.

The increased in exports from the larger OECD countries is estimated at 2.25 percent. The Board of Commerce concluded from this that Sweden's market share for manufactured products grew by 3.25 percent.

6578

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9 April 1985

ECONOMIC

SWEDEN

SAAB-SCANIA TO SELL IRANIANS TRUCK-ASSEMBLY PLANT

Stockholm SVENSKA DAGBLADET in Swedish 23 Feb 85 Sec III p 1

[Text] Iran is counting on exporting oil to Sweden at a value of around \$400 million (approximately 3.8 billion kronor) in 1985--total annual imports amount to 25 billion.

Volvo has already committed itself to buying oil worth \$250 million. It is expected that Swedish Petroleum will soon conclude its extensive oil deal with Iran. Swedish exports for the same period are estimated at a value of \$550 million. Among other things Saab-Scania is planning a big truck project in Iran with an Iranian factory for the production and assembly of trucks.

"We have asked Swedish firms to increase their oil purchases from Iran," Undersecretary Carl-Johan Aberg told the TT news agency. "It now looks as if we can achieve a better trade balance in 1985."

The role of the Middle East in supplying oil to Sweden has been minimal in recent years, with Great Britain and Norway becoming major suppliers instead.

More Agreements on the Way

Sweden's investment of billions in Iran was received with joy by the Iranian delegation headed by Deputy Foreign Minister Kazempour Ardabilly which has just paid a visit to Sweden.

"More agreements with Swedish firms are on the way. We have arranged contracts with oil companies and Volvo, among others. We are counting on a good trade balance in 1985," Ardabilly said at a press conference on Friday.

"Representatives from Swedish Petroleum met with the Iranian delegation yesterday and discussed future oil purchases. However the negotiations, which have been going on for several months now, have not been concluded," Jonas Gumaelius, head of the crude oil unit at Swedish Petroleum, told TT.

"It is correct that we will buy oil worth \$250 million from Iran," said Jan Danielsson, executive director of Volvo's subsidiary, STC. "The agreement has been reached and we will resell the oil to the highest bidder."

STC had a turnover of 28 billion kronor on its oil transactions during 1984.

Iran is an important market for Volvo, which has two factories there. In recent years Volvo has sold around 3000 trucks and 2000 Pentamotors, which are used in irrigation systems, a year.

Volvo and Mercedes are the only foreign companies that manufacture trucks in Iran. But now there will be one more Swedish company, Saab-Scania.

"We are one of several companies who held individual discussions with the Iranian delegation. We are now awaiting final confirmation before we start on our truck project in Iran," Saab-Scania information director Kaj Sandell told TT.

Balance Desired

Before Christmas 1984 Saab-Scania exported 2000 trucks to Iran. Now there will be the next big effort, a separate truck factory for the production and assembly of trucks in Iran. According to Ardabilly the agreement has already been reached.

Undersecretary Carl-Johan Aberg would not comment on the agreements that individual Swedish companies reach with Iran. But he stressed that an even balance of trade between the two countries is necessary for continued Swedish industrial development in Iran. Today that country is Sweden's biggest trade partner in the Third World.

"Following the Iranian visit to Olof Palme, among others, I have a very positive view of a further expansion of trade with Iran," Carl-Johan Aberg said to TT.

The government's decision in October 1984 that the National Board for Economic Defense (OEF) would buy oil worth 700 million kronor from Iran was discussed in detail with the Iranian delegation, which met with Olof Palme, among others, on Friday.

6578

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ENERGY

DENMARK

ENERGY MINISTRY SEES CONTINUED NEED FOR OIL HEATING

Copenhagen BERLINGSKE TIDENDE in Danish 15 Mar 85 Sect III p 9

[Article by RB: "There is Still Need for the Oil Burner"]

[Text] The time of oil burners is not past, in any case not if the price of oil in the future stays at somewhat the same level as now, a report from the Energy Ministry shows.

The report deals with what the experts call as one thing Area IV, i.e., a number of scattered areas in Denmark which in the near future will get the opportunity to use neither natural gas nor surplus heat.

Area IV covers about one third of the country's inhabitants and accounts for about 40 percent of the Danish energy demand.

Most of the houses in the area are in cities, and most of them--70 percent--use oil burners for heating.

The oil burners will presumably be permitted to remain in many places. For the Energy Ministry's report shows that for both new and older single-family homes it can well pay economically to have an oil burner, seen from the viewpoint of both the homeowner and the community.

The report points to coal burning as the cheapest solution as far as both types of houses are concerned, but this solution is at the same time impractical for the single-family homeowner--not least because a coal burner is difficult to handle and because it makes a mess.

For existing--older--single-family homes the report points to the fact that heating costs--when inexpensive coal burners are disregarded--are about the same for a new traditional oil burner, air-to-water and ground-to-water heat pumps, and oil burners with condensing boilers. This is true both in terms of public and private economics.

New single-family homes, which often are well insulated, hold their own best by the installation of direct electric heating, followed by combined electric heating and heat pumps. But if import costs are taken into consideration, in new single-family homes, too, it would also be most advantageous to

install coal burners, followed by new traditional oil burners and direct electric heating.

It would be least expensive for homeowners to procure a coal burner, and then a heat pump and direct electric heating.

In farmhouses the owner would be best off economically by using a straw burner or coal burner. If he displays public spirit, a coal burner is the cheapest. The somewhat more expensive alternatives are a new traditional oil burner together with a coal and straw burner. A biogas system is by far the most expensive solution.

The Energy Ministry's engineers and economists have studied the possibilities of collective heating in Area IV's cities, too.

8985

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ENERGY

DENMARK

INDUSTRY COUNCIL ISSUES PLAN FOR DANIFICATION OF DRILLING

Copenhagen BERLINGSKE TIDENDE in Danish 9 Mar 85 Sect III p 1

[Article by Svend Bie: "Industry Wants to Participate Actively in Hunt for Oil"]

[Text] The Industry Council is ready with a plan for the coming negotiations regarding new rights in the hunt for oil. The State-owned DONG [Danish Oil and Natural Gas] and private companies will gradually take over the operator's role from the multinational companies.

Danish industry is ready to take over the operator's role in the hunt for oil.

The Industry Council is now calling upon Industry Minister Knud Enggaard and the Folketing Energy Committee to ensure that Danish companies get the right in the coming rights round to take over the operator's role "down the road."

The operator is the company in the oil consortium which is in charge of the practical work in the hunt for oil. Thereby the operator has a key position in consortiums.

With this clear report, the Industry Council at the same time is dissociating itself from the attitude at DONG, which stresses that Danish firms are already taking part as operators in the exploration phase.

"We believe that the value of Danish operatorship lies in the fact that the company that becomes the operator gets an opportunity to grow. On the other hand, we do not think that a Danish operatorship will ensure more Danish jobs elsewhere, for in the agreements now in effect there is already an obligation to buy Danish when it is reasonable," Section Head Niels Gram of the Industry Council says.

It is the Energy Administration which is looking after whether Danes will get an opportunity to participate in the competition for contracts, and Niels Gram thinks that the Energy Administration ought to be more active,

"I feel that they have played too passive a role. We have, for example, not seen a single analysis from the Energy Administration regarding the

possibilities of Danish contracts. This is an area that should be developed," Niels Gram says,

The Industry Council does not think that it should be established already now whether it should be private Danish companies or the State-owned DONG which is to take over the operator's role. He is not afraid that disagreement will arise later, whether it is to be a private company or the State company which will enter the operator's role. The good relations which have now been established between industry and DONG are playing an important role for this assessment.

"The foreign companies must gradually relinquish operatorship. It can be either to a private Danish company in the consortium or to DONG, which indeed takes part in all consortiums. Or it can be to DONG and a private Danish company jointly."

Niels Gram thinks that it will be very difficult to get the big foreign companies, which necessarily must take part in the hunt for oil, to give up the operator's role from the start.

"It was stipulated in the terms that the foreign companies pay for DONG's participation, and in part for private Danish companies' participation, in the exploratory phase. They accordingly bear the financial risk of whether oil is found. The only certain gain they have is the experience, and I do not think they will let this go. On the contrary, I think it will be easier to get them to relinquish the operator's role at a later time."

8985

CSO: 3613/126

ENERGY

DENMARK

DISTRICT HEATING PROJECT TO LOWER OIL IMPORT NEEDS 5 PERCENT

Copenhagen AKTUEL in Danish 2 Mar 85 p 9

[Article by Jørgen Holst: "Enormous Saving on Oil Imports"]

[Text] Copenhagen. When the big district heating project for the municipalities of Copenhagen, Frederiksberg, Gentofte, Tårnby and Gladsaxe has been completed in four years, Denmark's oil imports will be able to be reduced by five to six percent.

The district heating system utilizes the waste heat from electric power plants in the Copenhagen area and ensures far better utilization of energy from the plants. When the district heating system has been established, thousands of oil burners both in single-family homes and apartment buildings will be replaced by district heating.

The Central Municipalities Transmission Company, which is in charge of completion of the district heating project, figures that in this way 620,000 tons of oil can be saved per year, and this is five to six percent of present Danish oil imports. The air in the capital area will become cleaner when a good 600,000 tons of oil no longer will have to be burned for residential heating.

The district heating project will provide employment for 400 people in the construction phase, and 60 people will be able to count on permanent jobs after 1989, when the work is done.

The European Investment Bank has just given a 15-year loan of 275 million kroner to the heating project. This is the first part of the financing. One more loan is expected to be signed in the near future.

8985

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ENERGY

FINLAND

NESTE SIGNS PACT WITH SOJUGASEXPORT FOR INCREASED GAS DELIVERIES

Helsinki HUFVUDSTADSBLADET in Swedish 8 Mar 85 p 3

[Article by Matts Dumell: "Neste Triples Natural Gas Imports"]

[Text] Neste and the Soviet Sojugasexport yesterday signed a general agreement on natural gas deliveries to Tammerfors and Helsinki. The deliveries will begin in 1986, and by 1990 the import of natural gas will have doubled. According to the agreement the import will increase to 2,400-3,400 million cubic meters during the 1990's.

Yesterday the two state oil companies signed the general agreement. The final details and the price of the gas will be established during the year.

The agreement is in force until 2008, more than 20 years. During that time the import will at least triple from last year's 800 million cubic meters of gas to 2,400 million cubic meters.

In case Kemira also selects gas for its planned ammonia factory on the west coast, gas consumption is expected to grow an additional 1,000 million cubic meters.

Finland has imported natural gas from the Soviet Union for 11 years. The first agreement was signed in 1971, and 3 years later the tap was opened.

Currently the gas line extends to Kouvola and Kotka-Fredrikshamn. Some time ago Neste concluded an agreement for extending the line by about 500 km. Rautaruukki will deliver the pipe and Soviet Tsvetmetpromexport will build the line.

Next October Tammerfors will probably be connected to the net. That is expected to increase the utilization the following year by 500 million cubic meters.

At Neste it is expected that the total utilization thereafter until the mid-1990's will increase by about 100 million cubic meters per year.

Furthermore, if the Helsinki energy authorities change course and select natural gas over coal as the energy source in the 90's, the current consumption will be tripled.

The value of the signed general agreement is so far classified. Neste will not say a word.

Calculated on the basis of last year's import of 803 million cubic meters, which probably cost 600 million marks, one can get an approximate picture of what 2,400 million cubic meters would cost in today's currency.

The average price for each million cubic meters was about 750,000 marks. And 2,000 million cubic meters should be worth 1.5 billion marks, and 3,400 million cubic meters 2.5 billion marks.

'Gas Commissioner Ihamuotila'

Finland is approaching 15 years experience with natural gas. Neste began to negotiate at the start of the 70's, and the first agreement was signed in 1971.

Then when natural gas began to flow into the country in 1974, the oil monopoly thought that consumption would increase to 1.4 billion cubic meters by the end of the decade. At the beginning of the 80's consumption had already grown to 3.5 billion cubic meters.

Even during the top year 1979 consumption remained below one billion cubic meters. In 1983 consumption was about 700 million cubic meters, and last year Neste imported 803 million cubic meters.

According to Neste consumption has been lower than expected because of energy saving and natural gas price fixing. The price of gas is tied to the price of heavy fuel oil.

The largest consumer today is the wood processing industry, which uses two-thirds of the import.

Despite the decline in sale of natural gas Neste continues to believe that it is a good business. The gas pipeline is being extended to Lahtis, Tammerfors and the Helsinki region for a billion marks. Every kilometer costs 2 million.

One of Gas Commissioner Jaakko Ihamuotila's foremost arguments for increased import of natural gas has been the importance of the trade balance with the east.

Replaces Oil

In the light of trade statistics, however, natural gas import is not in a decisive position in our trade with the Soviets. In 1983 we imported oil

from the Soviet Union worth almost 13 billion marks and natural gas worth one-half billion marks. Even if the import of natural gas should be tripled or quadrupled by the year 2000, which the new general agreement assumes, its importance for the bilateral trade would not be dominant.

The Soviet Union invests enormous sums to take care of natural gas and to increase the export of gas. They have guaranteed that in the future there will be access to natural gas (40 percent of the world's natural gas reserves are said to be in the Soviet Union).

On the other hand the Soviet Union has announced an entirely different policy concerning oil. The export, and especially the export of crude oil, will be limited as much as possible (three-fourths of foreign exchange income).

Neste is naturally very aware of this development. Natural gas is beginning to replace oil.

Lower Price Level

For a long time Neste has had an agreement to increase the import of natural gas. Neste's offer is based on a significantly lower price level than the one the Soviet Union applies in its export to Central Europe.

The difference is that there natural gas is replacing light fuel oil, while in Finland it is competing with heavy fuel oil, which is cheaper.

Also the volume probably affects the price level. Large consumers, such as the wood-processing industry, will in the future probably be able to buy their natural gas cheaper than small consumers.

Aside from the Hameenlinna region, the capital city region is the country's largest potential gas consumer. Most of the expansion of power plants will take place here during the 90's.

In the beginning Helsinki did not take Neste's offer of natural gas as an alternative to coal seriously. The first proposal was never taken up by the Energy Board, but the responsible city councilman answered them personally, refusing.

With publicity the negotiations have been moved to the Energy Board, but still the issue is being readied for coming negotiations in the City Council.

Certainly it would be a feather in the cap of Neste and Gas Commissioner Ihamuotila if the capital city should fall as a ripe fruit and the general agreement with the Soviet Union could be fulfilled.

9287

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9 April 1985

ENERGY

FINLAND

OIL CONSUMPTION IN COUNTRY DROPS BY 3 PERCENT IN YEAR

Helsinki HELSINGIN SANOMAT in Finnish 4 Feb 85 p 25

[Article: "Drop in Consumption of Oil Products Slowing Down; in the OECD Countries There Was Even an Increase Last Year"]

[Text] Last year oil consumption in Finland dropped by about 3 percent. The development was different in Finland than in the OECD countries since in the latter they consumed about 3 percent more than before.

Oil still accounts for 34 percent of our total energy consumption. During the past 5 years it has been reduced by a total of 14 percentage points. "The portion of our energy consumption in Finland represented by oil is now the lowest among the industrialized nations, even though it would be advantageous for us to make fairly abundant use of oil for trade and employment policy reasons," the Oil Industry Association assessed the situation.

Regular domestic sales of oil products have remained roughly the same as before. The difference between sales and consumption figures can be explained by the fact that consumers now have more oil in their own reserve containers than they did a year ago.

Compared to the sharp drop in the consumption of oil products these past few years, however, last year was comforting and it demonstrates that consumers' faith in oil has in part been restored, Henrik Lundsten, the director of the Oil Industry Association, believes.

The consumption of engine fuels continued to rise as it has the past few years. As for fuel oils, the total consumption continued to decline, but this time the drop was clearly more gradual than before.

Record Amount of Gasoline

According to the association, the rise in consumption of engine fuels is, on the one hand, related to the still growing popularity of cars as a means of transportation and, on the other, to an increase in industrial transport. Last year for the first time gasoline consumption came to 2 million cubic meters, representing an increase of 2.4 percent.

Diesel sales clearly rose more rapidly than gasoline consumption and they now amount to three-quarters of gasoline sales. One and a half million cubic meters of diesel were sold, an increase of 3.7 percent.

Kerosene sales dropped by nearly a fifth. The experiences people have had with kerosene-burning cars have led to a cessation of production and it is estimated that the demand for kerosene as a car fuel will be reduced to almost nothing in the next few years.

Light fuel oil sales dropped by 2.8 percent. The reduction in heating oil consumption is mainly due to the extension of district heating and household energy conservation.

Five percent less heavy fuel oil was sold than before. Consumption is in fact, however, estimated to have declined by nearly a tenth. The percentage of manufacturing industry fuel consumption accounted for by heavy fuel oil is still sharply dropping and in this sector too they are switching to electricity. The consumption of heavy fuel oil in the production of district heating has, on the other hand, slightly increased.

11,466

CSO: 3617/76

ENERGY

FINLAND

IMPORTS OF SOVIET OIL BELOW AGREED AMOUNT

Helsinki HELSINGIN SANOMAT in Finnish 7 Feb 85 p 29

[Text] This time too Finland may have been spared suspensions of Soviet oil deliveries. Indeed, even Neste [state oil company] has had to be satisfied with smaller quantities of oil than agreed on these past few months.

This winter the Soviet Union has again announced that it will suspend oil shipments to Central Europe. It was announced that the reason for this is the extremely cold winter and the increase in domestic demand it has led to.

Neste has not received such a notice and it does not expect one. With regard to oil sales, Finland has special status which is based on regular, long-term purchases.

Suspensions of deliveries did not affect Finland in the same way as they did Central European buyers in previous years either.

To be sure, here too during the past few months oil deliveries have been below the agreed quantities. This is what happened as early as the second half of last year and, as a result, oil sales for the whole year amounted to only 7.5 million tons, about a half a million tons under the agreed amount.

A third of the deliveries were not made in January of this year. At Neste, however, they do not regard the situation as being in any way exceptional, rather delivery delays have occurred before too. The reasons for this have been the spell of extremely cold weather, among other things, and with it generalized interruptions in production and transport. In addition, the cold naturally increases the Soviet Union's own need for oil. They do not regard the delays in oil deliveries as being any cause for concern at Neste any more than they do at the Trade and Industry Ministry. At present Finland has its largest oil inventory of the year -- enough for 200 days -- so delays in deliveries are not causing any problems.

Furthermore, at Neste they say that, among other things, they received well over the agreed amount of natural gas in exchange in January. The need for fuel has been greater than anticipated because of the extremely cold weather and the Soviet Union has delivered about 40 percent more natural gas than the amount earlier agreed on.

Suspensions Based on Agreements

Last week the Soviet Union announced that it would suspend February deliveries of oil and oil products to Central Europe. They said that the reason was an uncommonly severe winter in the Soviet Union. The AP-DJ News Agency of Bonn reported this on Wednesday.

According to the German reports, this has happened frequently before too and the Soviet Union has the right to suspend deliveries on the basis of the agreements that have been entered into. It is precisely severe cold spells that have often led to temporary suspensions.

In Bonn, however, they affirm that announced delivery suspensions are generally not fully carried out, rather oil is obtained anyway.

11,466
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ENERGY

GREECE

DECEPTIONS SUSPECTED IN PRINOS OIL

Athens ETHNOS in Greek 7 Mar. 85 p 23

[Text] The time has come to make decisions about the agreement for the exploitation of the first Greek oil in Prinos.

The minister of energy, Mr. Verivakis, gave this explicit as well as clear warning on behalf of the government to the consortium of four foreign companies which undertook, on the strength of an unfair and colonialistic agreement, as it was repeatedly characterized, to pump oil in the Gulf of Kavala.

Speaking in front of the installations from which the oil emerges, before the foreign directors and representatives of those companies in Greece, he underlined the fact that negotiations had been going on too long already, and let it be understood that there was no margin left.

This caused an immediate reaction from those same companies, which hastened to produce their most impressive and strongest negotiating weapon.

Thus the managing adviser of the foreign companies, Mr. Speel, speaking shortly after the visit to the Prinos platform, openly hinted that a new oil deposit had been found in that area.

"We know and have proof, that there also other chances for other Prinos'."

According to information, those new deposits are situated at sea, east of Thasos where, as the foreign companies' representative confirmed, geophysical research was done and at least three drillings at great depth are planned.

This new disclosure, if it is founded, acquires huge significance in the unsubtle game played by the consortium around the faulty agreement's revision.

Because the foreigners will attempt to take advantage of the drilling conditions and repeat the Prinos story by dragging out the negotiations which began over three years ago.

12278
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ENERGY

NORWAY

ENERGY STRATEGY SHIFTING EMPHASIS FROM EXPLORATION TO SALES

Stockholm DAGENS NYHETER in Swedish 27 Feb 85 p 23

[Article by Bjorn Lindahl]

[Text] Oslo--Norway must change its oil strategy. The country has enormous, unsold gas reserves while, at the same time, it is producing more oil than is being replaced with new finds.

"What is the point of looking for more gas when we already have enough for 85 years of production?" said Farouk Al-Kasim, director of the Norwegian Oil Directorate.

The past 6 months have been one of the most eventful periods in the history of Norwegian oil activities. A number of established truths have been reevaluated.

Taking the good news first:

Haltenbanken, northwest of Trondheim, has developed into an extremely promising region. Shell has made an oil find that probably can be developed on its own or in combination with smaller finds.

Statoil is now drilling its second well on Tromsoflaket in a field that has been given the name Snow White. It stretches over two blocks, but could possibly stretch over four. There is oil there, too, but so far no one knows whether it is a significant quantity or just a drop.

Because of the strength of the dollar, Norwegian oil revenues have broken all records.

Avoided Dive

But there is just as much bad news:

Oil prices have just barely avoided taking a serious dive. OPEC's control over prices has been weakened and, at times, Norway has been in open conflict with that organization.

Traenabanken, which is between Haltenbanken and Tromsøflaket, has been a disappointment. After six dry wells, there is little hope of finding anything there.

The failure to sell gas from the Sleipner Field to Great Britain means not only a loss of 250 billion kroner in revenues beginning in the mid-1990's, but also major changes in investment plans, with much uncertainty as a result.

What conclusions may be drawn?

"Instead of looking for more gas in deeper and deeper waters and farther and farther away from markets, we must try to sell the large gas reserves we already have 'in the bank'," said Farouk Al-Kasim, who holds a key position at the oil directorate, since he is chief of the section that monitors exploration and resources on the continental shelf.

Only Oil?

"It now costs about 125 million kroner to drill an exploratory well. If we are to have any hope of selling the gas we already have found by the end of the next century, should we use our national resources to look for more? Should we not simply say that we are only interested in oil?"

According to him, Norway must be more active in the gas market. The oil companies have devoted much energy to understanding what controls oil prices and have been involved in marketing. The same must be true when it comes to marketing natural gas.

The next negotiations will involve the Troll Field, which is the largest offshore gas field in the world, with reserves of 1.3 trillion cubic meters of gas. Statoil has already made initial contacts with customers.

35 Years Of Reserves

"It is clear that the goal of obtaining the same price for gas as for oil is on the way out. Gas must be compared with other sources of energy and the price must be set according to production costs," said Norwegian Oil and Energy Minister Kare Kristiansen, thereby going against what was Statoil policy just about 1 year ago.

The second conclusion is that Norway must search more specifically for oil. Known reserves are now sufficient for 35 years of production, but that figure has been reduced somewhat recently. That may sound like a long time, but the block in which the Oseberg Field was found, for example, was allocated in 1979, production plans were approved only 5 years later, and peak production will be achieved only after 1990. At that time, it was almost certain that oil would be found in this block. Decisions must be made within the next 5 years as to which new regions will be selected.

Investing More

Britain's refusal to purchase Sleipner gas was not a complete surprise. Norwegian authorities have had 1 year to prepare themselves. During that time, seismic charting of new regions increased from 8,000 km in 1983 to 21,000 km last year. It will continue at this level through the next 5 years.

In addition, the 10th round of concessions has been moved up ahead of schedule. It includes 40 new blocks, including the last big block in the North Sea, block 34/8. The application period for the North Sea will end in May.

By stepping up the second phase of the Gullfak Field, investments can not only be held at the present level of 25 billion kroner annually, but actually increased by 3 billion during 1986 and 1987.

This accelerated pace means that the third platform in the field will be constructed 6 years earlier than planned. This, according to Saga Petroleum, will make the project more profitable, since the original plans called for utilization of the idle process capacity from the first phase. Now the third platform must be 3 billion kroner more expensive. According to Hydro and Statoil, this will be compensated by the fact that revenues will be produced earlier.

After 1987, however, the loss of Sleipner will be noticed. This would have meant three platforms for 50 billion kroner.

Vulnerable

The companies will then turn to smaller fields in shallower water such as Tommeliten, Veslefrikk, and Brage and larger fields in deep water such as Snorre, which is at a depth of 200 to 380 meters. But several of these fields are vulnerable if the price of oil drops.

"If today's technology is used at depths greater than 300 meters, then the cost of producing a barrel of oil will be a cause of concern, considering the current trend in oil prices," said Asbjorn Larsen, executive vice-president of Saga Petroleum.

How far can oil prices drop before the project must be shelved? It is almost impossible to answer this question, since the answer depends on the size, properties, and placement of the field. A small field that is close to older oil and gas pipelines that are already depreciated could be more profitable than an extremely large field farther north.

The Ekofisk Field, which began producing during the early seventies, cost just over \$5 dollars per barrel. Statfjord, which is at a depth of 145 meters, cost \$10 to \$15 and it, too, will soon be fully depreciated. The small Ula Field, in which Svenska Petroleum has invested, will be profitable as long as

the price of oil remains over \$20 per barrel. Oseberg, which is at a depth of 105 meters, is costing \$20 to \$25 to develop. Thus, the critical level is not far away. Another consideration, of course, is that the price of oil over the entire 20-year lifetime of the field is the decisive factor.

Tax Change

There are two possibilities for preventing fields from becoming unprofitable for the oil companies. One is to change the tax system.

Even small changes can alter the situation. In Great Britain oil exploration has picked up considerably since the British government introduced tax relief for smaller fields.

"There is no law of nature stating that the Norwegian state must take 85 percent of the profits. But our situation is different from that of the British, who have many small fields. We would lose money on the large fields if we made such changes," Oil Minister Kare Kristiansen said.

One change that has been made, however, is that Statoil's right to increase its share in a block once a find has been made, has been converted from a sliding scale to a fixed scale.

The second possibility is to make production less expensive by using lighter platforms, more underwater technology, and better coordination of large regions.

North Norway will suffer most from the problems facing the oil industry.

"If we consider it important to spread out our oil activities, we must be willing to take a different view of North Norway. Otherwise, the more profitable North Sea fields will always stand first in line. In order to initiate profitable development, we must be willing to take the first step by offering incentives," said Arnfinn Jossang, director of Statoil Nordnorge.

9336

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ENERGY

NORWAY

DRILLING ACTIVITY, ECONOMIC IMPACT OF OIL SEARCH IN NORTH

Stockholm DAGENS NYHETER in Swedish 7 Mar 85 p 16

[Article by Bjorn Lindahl]

[Text] Tromsoflaket--A 40-knot wind was blowing and snow was whipping toward the drilling platform "West Vanguard" on Tromsoflaket. The waves had risen to a height of 9 meters and were slapping the legs of the platform with an angry crash. For a moment the lead-gray sea turned ice green beneath the white foam.

Amazingly the platform remained stable. The widespread legs stayed in place on pontoons submerged beneath the motion of the waves. But in a storm the platform heaves gently back and forth.

In the drilling tower the most noticeable sign of the storm was that the pipes hanging ready to use in lengthening the drill struck each other with a dull clunk like the sound of gigantic billiard balls.

Hectic

The heavy seas made it harder to figure out how the pipes would swing when they were lifted up to the drilling deck with a crane. Four workers were forced to use all their strength to control the pipe; their overalls looked as if they had fallen headlong into the wet snow on a salted highway.

The atmosphere was hectic. The workers yelled at each other but not in the harsh dialect of North Norway. They spoke in the soft drawling southern dialect that suggests fertile soil and chapels. It gave the same peculiar impression as the sound of a Skane resident in Lapland.

The "West Vanguard" is a good distance northwest of the North Cape. It is 5 years since the first drilling platform discovered Tromsoflaket. But only a few of the 80-man crew came from North Norway. The only one we found works in the dining room.

The attitude among the local population in North Norway has swung from massive opposition to an intensive embracing of the oil activity. Towns have

fought hard for the oil base, the helicopter base and the district offices that the oil companies wanted to locate in the region.

"At best we can maintain fishing and agriculture at the present levels. Industry is fighting from day to day just to survive," said Egil Damsgard, planning director for Troms County.

"The only thing we have to look forward to is oil."

But what about the fishermen? They were practically ready to dynamite the oil platforms a few years ago.

Some opposition and anxiety can still be found. But the fishermen have limited themselves to trying to stop oil exploration on the fishing banks right off the Tromso coast.

Changing Sides

But many fishermen also reasoned that if you can't beat the enemy you might as well change sides and join him. In Tromso seven fishermen and ship owners have formed the Polar Offshore company, which provides maintenance ships for the oil platforms.

"I decided to look for something else when it looked so bad for fishing in 1981. I have not regretted it," said Jan Steinar Johanssen, who was a fisherman for 10 years before he was hired by Polar Offshore. Now he works on an emergency boat that circles a platform 24 hours a day.

The jobs that have been created on the oil platforms and the maintenance ships are well-paid and very good for rural areas. Oil company workers can live where they want to in their free time.

But if one adds up the jobs created by oil so far, there have only been 250. That does not go far when North Norway has the highest unemployment in the country, 12,000. It is not enough that the oil companies search for oil. What they find must also be developed.

So far 22 holes have been drilled on Tromsoflaket. Finds were made in 10 of them. These are extremely good figures in the oil branch. But so far gas is the only thing that has been found. Even if there is more gas than there is in some of the fields that are currently in production in the North Sea, it doesn't matter. North Norway is too far away from the markets. Oil companies have outbid each other in imaginative plans about how to use the gas, but the plans have evaporated like soap bubbles in the air.

Oil must be found to make it worth building production platforms on Tromsoflaket, where the Eiffel Tower would disappear if it were lowered to the ocean floor.

Last summer Statoil came across oil but the company does not yet know how much is involved. The hole now being drilled by "West Vanguard" could determine the amount. The field has already been given the name "Snow White" by the people--the seven dwarves have already been found, they say.

But is North Norway ready if enough oil is found in "Snow White"? The region is sparsely populated and has few highly-educated people and little industry. For example only 1 percent of the country's 18,500 business administration graduates live in North Norway. If they were evenly distributed there should be 2000 in North Norway.

Education

"What we need most is education. Engineers are a key issue. As soon as plans are on the drawing board decisions are made about who has a chance of getting the contract. Those who are closest find it easiest to become involved," said Rolf Hellem, secretary of the North Norway Oil Council, which is there to assist the authorities.

"We have documented the fact that the capacity exists in the Arctic region to build the biggest kind of cement platforms in Ofot Fjord outside Narvik. But other constructions could also be used. There is no reason why they should be developed in Oslo; it might just as well happen here. There must be a transfer of technology; otherwise we run the risk that the activity goes completely over the heads of the people here."

North Norway feels it has a right to make demands.

"Some 80 percent of the Norwegian continental shelf lies off North Norway," Egil Damsgard pointed out.

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CSO: 3650/197

ENERGY

NORWAY

BRIEFS

EKOFISK SEA-BOTTOM SINKING--TT-REUTER, Oslo, 6 Mar--The ocean floor is sinking 1 centimeter a month beneath Ekofisk, Norway's oldest and second largest oil field. Since 1980 the field has sunk 2.5 meters and now a quick investigation is being made into what can be done to solve the problem. Development of the adjacent gas field, Tommeliten, could be delayed since the problem of the sinking ocean floor is worse than was earlier believed, according to a spokesman for Statoil. The oil platforms are in no danger. They are still stable even in the highest waves, he said. Ekofisk has produced oil since 1974 and it is believed it can be productive for another 25 years. [Text]
[Stockholm DAGENS NYHETER in Swedish 7 Mar 85 p 16] 6578

CSO: 3650/197

OCEAN/POLAR ISSUES

EUROPEAN AFFAIRS

DENMARK REIGNITES FEUD OVER ROCKALL WITH UK, IRELAND, ICELAND

Geneva JOURNAL DE GENEVA in French 11 Feb 85 p 3

[Article by Camille Olsen]

[Text] Denmark has decided again to assert its rights over the maritime area surrounding Rockall island in the North Atlantic. To further support its claims, the Copenhagen government will shortly undertake a series of geologic studies and seismic measurements in the area.

Rising 25 meters above the waves in midocean, 275 kilometers west of the Hebrides archipelago, this tiny granite island, inhabited only by myriads of birds, is coveted today by four countries: Denmark (acting on behalf of the Faroe Islands), Iceland, Ireland and Great Britain. One of his gracious majesty's officers, a Lieutenant Endymion, was the first European known to have set foot upon it, in 1810. A half century later the English, in their "farsightedness," planted their own flag there. A short-lived, symbolic gesture....

For many long decades, actually, the great powers took no interest in this rocky island, which was responsible in 1904 for one of the most dramatic shipwrecks in contemporary history: A Danish ship carrying 800 emigrants to America broke up on it due to a navigational error. The toll: 632 victims. Emotions ran high at the time.

The oil crisis, the race for hydrocarbons and iron ores and the dispute about fishing limits suddenly brought this remote reef to prominence again at the beginning of the 1970's. The surrounding waters are teeming with fish and, in the opinion of experts, probably contain enormous mineral wealth.

In their battle for possession of Rockall, each of the four nations concerned has excellent reasons for claiming total or at least partial sovereignty. The British cite their indisputable geographic proximity. Further away on the map, the Faroe Islands, Iceland and Ireland protest that the island is a part of their continental shelf, while Scotland, on the other hand, is separated from it by a deep trough.



For 10 years, interrupted by a few periods of dormancy, official conversations on the subject among the parties concerned have not ceased. Last fall Iceland officially reintroduced this bone of contention when it proposed the immediate opening of quadripartite negotiations--a plan rejected immediately by Ireland. Actually, Dublin would prefer to make a bilateral agreement with London--behind the backs of the other two, no doubt!

In any case, this affair has just entered a new active phase.

Rockall is not the only small unowned island to occupy a place in the concern of western foreign offices. In August 1984 the minister of Greenland, Mr. Hoeyem, flew to Hanf Island in the Kennedy Channel to raise the Danish flag there, in order to obstruct Canadian designs on that icy strip of land.

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OCEAN-POLAR ISSUES

NORWAY

EXPEDITION RETURNS FROM ANTARCTICA

Oslo AFTENPOSTEN in Norwegian 12 Mar 85 p 5

[Article by Torill Nordeng: "Antarctic Expedition Finished: K/V [Coast Guard Ship] 'Andenes' Home Under Tropical Sun"]

[Text] Ivory Coast, 11 March--The Norwegian Antarctic Expedition 1984/85 is over. K/V "Andenes" docked on Tuesday morning in Abidjan in the Ivory Coast and the 28 scientists went ashore prior to flying home to Norway. The ship's crew will be home in Bergen on 26 March. They have thus put behind them one of the navy's longest cruises--25,592 nautical miles and 116 days at sea. Both expedition leader Olaf Orheim of the Norwegian Polar Institute and ship captain Torstein Myhre of K/V "Andenes" believe that the Antarctic expedition has been very successful.

"We have had very good working conditions during this year's expedition and therefore, particularly interesting research results. We have worked to the maximum, both on land and from the ship notwithstanding that we started later than we had hoped," Orheim states. "The landings by two research groups was delayed due to severe ice conditions. Thereafter, the ice conditions were the best which can be expected in Antarctica and all delays were made up for."

The primary project for this year's expedition has been seismic exploration of the sea bottom in the Weddell Sea, carried out by the Earthquake Station of the University of Bergen, with marine geophysicist Kristen Haugland as project leader. During the course of 25 days, data was collected for over 2,500 kilometers of the sea bottom. "This is more data than that which we gathered during the course of the two previous expeditions in 1977 and 1979. This time, we also were further into the Weddell Sea than anyone previously has been on such explorations," Orheim emphasizes. He has no doubt that Norwegian Antarctic exploration of the sea is among the foremost in the world.

"On shore, in contrast, it is more difficult to distinguish oneself relative to other Antarctic nations. We do not have any winter station and must use individual and light field equipment when camps are being established. Therefore, there is a limit to what the scientists can do during the limited time which is available." Orheim would not comment on whether a new Norwegian Antarctic expedition might be carried out differently.

"But if activity on land is to be expanded, we must either establish a permanent station or endeavor to expand our transport system to include planes down in Antarctica. This would be dependent on international co-operation and is an interesting thought for the future," he believes.

The expedition which now is completed has cost a total of approximately 20 million kroner. The money is appropriated from two national budgets and additional significant support is derived from research institutes and from Statoil.

Aside from certain greater and lesser defects in parts of the technical equipment, Orheim has no complaints now that the expedition is completed. An instrument which measures the upper sedimentary layers on the sea bottom failed entirely. A larger sample-taker which is used to take core samples from the sea bottom was left on the sea bottom when a wire broke.

"But it is not commonplace to function in Antarctica; accidents and technical failures nearly always will occur," he states.

Orheim is extremely pleased with K/V "Andenes." "In addition, the ship has shown itself to be able to go through very thick ice and has transported us safely and comfortably from Argentina, where we boarded, and back to the Ivory Coast in Africa."

Ship captain Torstein Myhre also is very well satisfied with the cruise. "The objective was that the scientists should be able to carry out their programs. They have done that. Additionally, such a cruise in ice-filled waters provides the coast guard with new experiences. The knowledge we have acquired here in the south hopefully can be converted to advantage for what we are doing in the north. We have acquired proof of what the ship is capable of doing and we know that we can offer assistance under extremely difficult ice conditions in the north," he states.

Myhre does not see any reason for a new Antarctic crew not using a coast guard ship again. "We now have experience and we also have seen that the Norwegian interests in the Antarctic are well served when a grey-painted ship with a split flag sails afar. The arrival of K/V 'Andenes' was noted in official receptions both in Argentina, which was the starting point for the expedition, and in the Ivory Coast."

Myhre complained that planes from the 337th Squadron at Bardufoss could not participate. "The primary reason that Helikopterservice A/S was retained was that they had lighter and less advanced helicopters. We could not obtain necessary spare parts for the Lynx helicopter which the coast guard normally uses," he notes.

Helikopterservice A/S, with pilots Paul Ellingsen and Gabriel Gard, had 163 hours of flying during the Antarctic expedition. They undertook more than 400 landings.

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END